

Commission on the Constitution

MINUTES OF EVIDENCE

I

WALES

15th-16th September, 1969

WITNESSES

Sir Goronwy Daniel, K.C.V.O., C.B.,
Permanent Under-Secretary of State, Welsh Office

The Lord Ogmore

Plaid Cymru

Mr. Gwilym Prys Davies

19th November, 1969

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COMMISSION ON THE CONSTITUTION

Terms of Reference

To examine the present functions of the central legislature and government in relation to the several countries, nations and regions of the United Kingdom;

to consider, having regard to developments in local government organisation and in the administrative and other relationships between the various parts of the United Kingdom, and to the interests of the prosperity and good government of Our people under the Crown, whether any changes are desirable in those functions or otherwise in present constitutional and economic relationships;

to consider, also, whether any changes are desirable in the constitutional and economic relationships between the United Kingdom and the Channel Islands and the Isle of Man.

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MINUTES OF EVIDENCE
TAKEN BEFORE THE
COMMISSION ON THE CONSTITUTION

Sitting in Cardiff on Monday, 15th September 1969

Present:

THE LORD CROWTHER (*Chairman*)

MR. A. TALFAN DAVIES, Q.C.

THE LORD FOOT

ALDERMAN SIR MARK HENIG

THE RT. HON. DOUGLAS HOUGHTON, C.H., M.P. MRS. M. S. TRENAMAN

DR. N. C. HUNT

THE HON. LORD KILBRANDON

PROFESSOR F. H. NEWARK, C.B.E.

SIR JAMES STEEL, C.B.E., D.L., J.P.

SIR BEN BOWEN THOMAS

Assistant Commissioners

MR. T. M. HAYDN REES, D.L.

PROFESSOR G. LLOYD REES

MR. R. J. GUPPY, C.B. (*Secretary*)

MR. D. MORGAN (*Assistant Secretary*)

Witness

SIR GORONWY DANIEL, K.C.V.O., C.B.

Permanent Under-Secretary of State, Welsh Office.

The written evidence submitted by the Welsh Office in advance of the oral hearing was published by Her Majesty's Stationery Office on 10 September, 1969.

EXAMINATION OF WITNESS

1. CHAIRMAN: My Lord Mayor, my Lord, ladies and gentlemen: this is the first open and public meeting of the Commission on the Constitution, and we have come here to Cardiff in order to take evidence in public on the problems arising out of our terms of reference so far as they have reference to Wales. Before I call the first witness I want to make a short statement.

The Commission was appointed on 15th April this year, and held its first meeting in private on 29th April. Then it issued through the press an open invitation to submit evidence in writing on any matter within its terms of reference. These terms of reference, put shortly, require the Commission to examine the functions of the central legislature and government in relation to the several countries, nations and regions of the United Kingdom, and to consider whether any changes are desirable in those functions or otherwise in present constitutional and economic relationships.

Some evidence has been received in response to this invitation, and more will be coming in shortly, but it may not be sufficiently well known that it is open to any person or organisation having views to express to put them forward without being invited to do so. So I want to take this opportunity of repeating the Commission's open invitation. Evidence should in the first instance be submitted in writing to the Secretary, and since we are anxious to make progress the Commission would be glad if this could be done without too much further delay. The Commission will decide on seeing the written evidence whether to invite a witness to supplement it by appearing before the Commission at one of its public sessions.

The Commission has held a number of private meetings. This is our first meeting in public, and the first of a number we expect to have in Wales. We are pleased to be joined by Assistant Commissioners who

have been appointed to assist the Commission in examining evidence relating to Wales.

We appreciate the honour of being permitted to meet in this Council Chamber of the City of Cardiff. We have adopted seating arrangements which will I hope help to keep to a minimum the element of formality in our proceedings.

The proceedings today and tomorrow have been arranged in the hope that they will at the outset of our activities give something of a cross-section of Welsh opinion. This has meant that it has been necessary to restrict rather severely the time allotted to any particular witness or witnesses. I want to make it quite clear that we are under no illusion that these large matters can be settled in an hour or so. This is only the first of a series of meetings, and if the evidence of any particular witness cannot be concluded within the time allowed for it today or tomorrow we shall hope to be able to continue on a later occasion.

The members of the Commission here present include a number of Welshmen who are capable of understanding evidence in the Welsh language, and we would be very ready to receive evidence in the Welsh language. I have to add, however, that a number of the Commissioners do not have the good fortune to understand Welsh, and interpretation will be necessary. We would be grateful if, so far as possible, witnesses intending to give evidence in the Welsh language would let us know in advance so that arrangements for interpretation can be made. However, I believe that we are competent within our number to do a little amateur translating if that becomes necessary.

In the course of this afternoon and tomorrow we shall be seeing Sir Goronwy Daniel, Permanent Under-Secretary of State in the Welsh Office, and other officials in the Welsh Office: Lord Ogmore: representatives of Plaid Cymru: and Mr. Gwilym Prys Davies.

SIR GORONWY DANIEL CALLED AND EXAMINED

2. The written evidence of the Welsh Office has been printed and published by Her Majesty's Stationery Office. I think we may assume that copies are available, and I would suggest, Sir Goronwy, if it is

agreeable to you, that without going over the whole field of the printed evidence there may be one or two points you would like to bring out in a preliminary statement, and then we can ask you some questions.

—(SIR GORONWY DANIEL): My Lord, the only point I would like to make initially, and it is a point of amplification of the evidence that has already been put in, is this, that the figures given in the paper about public expenditure in Wales were the latest published figures available at the time when the paper was prepared. We are in a continuous process of improving Welsh statistics, and there will shortly be published figures for the following year which will bring the total of identifiable public expenditure in Wales up to £789 million. This is a note, therefore, of comment on Table 2.

3. May I interrupt you just to make sure I have correctly understood that? You are not saying the figure of £405.8 million is now £789 million, but further expenditure has been identified?—Yes, and the figure of £789 million refers to 1968/69. If it is the Commission's wish we will put in a more up-to-date statement.

4. I think we would like to have that statement*, and indeed no doubt it will have another revision before we are finished. Now I am going to ask the Commissioners in turn to put such questions as they wish.

5. MR. TALFAN DAVIES: Sir Goronwy, I would like you to deal perhaps in a little more detail with Part II of the written evidence. It would appear that parliamentary scrutiny and debate of Welsh affairs is confined to one parliamentary day in the course of a session and some four mornings a year when the Welsh Grand Committee meets. I understand there are complaints in respect of those mornings in that each meeting is confined to a few hours, only some seven or eight Members of Parliament are enabled to take part in it, and it becomes an artificial debate. Lastly, the Welsh Secretary of State answers questions concerning Welsh affairs some seven or eight times a year. I hope I am right in summarising the position. What is your view on the adequacy of debate and scrutiny as provided by those facilities?—The first comment I would make, sir, is that compared with the amount of parliamentary attention that areas of population of equivalent size get in England and Scotland, the amount of attention given to Wales is very adequate. In other words, if you compare Wales with, say, the south-west of England or the north-east, areas with roughly the same, or indeed larger, populations, I think you would find the amount of time given is at least the same. But the question, of course,

does arise whether there is not a difference between Wales and these regions of England. I am not now referring to the difference of a historical character, but to the present constitutional difference, in that Parliament has decreed that there should be separate ministerial responsibility for Wales, while there is no separate ministerial responsibility for the regions of England. This may raise a question of accountability, which might be put in the form of this question: Granted that there are Ministers with executive responsibility for Wales, is it the best arrangement that they should be accountable to a Parliament of which only six per cent of its members are in fact keenly interested in Wales?

6. You put that as a question. Are you in a position to give some guidance as to whether devolution should be developed to allow the Ministers with separate responsibility for Wales to be accountable to a Welsh assembly, to use a neutral phrase?—That is a matter on which I could only express a personal opinion, and having been a civil servant for quite a long period of time, I do not like expressing personal opinions without having gone into the full merits of the matter. There are various alternatives, and to provide an answer I think one would need to construct models which would explore various possible alternative forms of organisation. One possible form of organisation is the one you refer to: this might be some sort of assembly, a small parliament for Wales. But there are other possibilities.

7. Could you enumerate those?—The essential feature of a parliament of Wales is that you have a body of elected representatives of the people with responsibilities taken from the Parliament in Westminster and from United Kingdom Ministers. An alternative which may well be worth looking at is to leave Westminster and ministerial responsibilities approximately where they are, and to have an elected council which would take responsibilities, not from that quarter, nor indeed from local government, but from the large and growing field in between covered by nominated bodies; in other words, bodies characterised by not having elected members in charge. The members are usually nominated by Ministers, sometimes by local authorities or other bodies, and there is no day-to-day managerial responsibility directly to any elected body.

8. Would you regard an elected assembly without power and responsibility in respect of expenditure of money as having any

* The statement is reproduced in Appendix A

real value?—The man who controls the purse strings has the most effective of all forms of control, and it would be essential in working out a model for any of the alternative possibilities to go right into the question of finance. It would be necessary, first, to establish that the new arrangements did not involve Wales in a financial loss; secondly, that the financial arrangements did not involve an increased administrative complexity—it is very important to aim at simplicity here; and, thirdly, that they should involve an increase in financial responsibility on the part of the people who are taking decisions.

9. This is a matter which I would like you to develop. Do you see a real advantage in this? By reason of the participation of an elected group of representatives, and through them the electors, in discussion about these matters, do you see a real advantage for the Welsh nation in this? — You are asking questions on which there is not a Welsh Office view, so I can only give a personal view. I am quite ready to do that.

10. With the Chairman's consent and with yours, could you express a personal view about this?—I believe that in a democratic state, when a public servant, whether in central or local government, goes about his daily business, he ought always to have at the back of his mind the thought that he may be called to account for his actions to a body which consists of freely elected representatives of the people whom he is serving. That is an ideal which may not be always easy to achieve, but I believe it should be the objective. It has several beneficial effects, one of which you have referred to, but I would suggest there are three. First, it is the best protection against abuse of power by officials; secondly, it enables the executive to explain itself, to explain what it is doing, and why; thirdly, it enables the executive to find out what needs to be done, what fields require other attention.

11. With the reforms that may take place in local government there is a danger that participation by the people, through their elected representatives in local government, will be decimated. Do you feel that a national assembly in Wales will restore the balance to an extent, or provide an avenue which will enable the views of the people to be represented?—I would not like to be thought of as agreeing to decimation. I think the figures are something like this, that there are at present in local government—and I am now defining local government as county districts and upwards, not including parishes—something

like 15 elected councillors per 10,000 population. Under the Government's July 1967 White Paper proposals the 15 comes down to seven, that is about half, not a decimation. If we were to apply the Maud Committee Report in Wales, that would bring it down to two and a half.

12. May I now refer to the statement which appears in the document at page 13, paragraph 33. It says there:—

"In a speech on 24 July 1965 the Prime Minister elucidated this further by saying that 'the Secretary of State for Wales has . . . real powers . . .' "— and I underline the phrase "real powers"—

" . . . to oversee the activity of all Government Departments in Wales and to see that they co-ordinate.' "

Now in some fields the Secretary of State has executive power, while in others responsibility is limited to oversight. In terms of accountability is any real power in fact vested in the Secretary of State for Wales in respect of this oversight? To take agriculture as an example, the Minister of Agriculture is in charge of agriculture for the whole of the country. There is a certain duality as far as Wales is concerned. How can the Secretary of State for Wales become sufficiently expert through advisers who are not within his Department on matters of agriculture? Should there not be in fact a definite division, bringing agriculture in Wales entirely within the province of the Secretary of State for Wales, or of persons to whom he may delegate it? I would like your views on this question of oversight.—I think one must interpret the word "powers" in this paragraph as not meaning powers in a statutory sense. Powers of course can be effective without being statutory powers. I believe that in the field of the so-called oversight functions the Secretary of State is in a position to exercise a considerable degree of influence, though he cannot, of course, have the last word.

13. The chain of command must be elsewhere? Am I right there?—The chain of command is not the simple chain it was. You mention agriculture, but it might be perhaps better to start with a subject where the position is a little clearer than agriculture. I would put agriculture as intermediate between the field where there are straight executive powers and the field in which there are only oversight powers. If one takes a field in which the Secretary of State has only got oversight powers, say trade or transport, the old chain of command has been complicated and, if you like, altered, because the Secretary of State is now in a position to intervene at

ministerial level, and this puts his officials in a strong position. Cases have come up in which effective changes have been made as a result of pressure by Welsh Office officials, and changes have been made at a higher level, where officials have failed to reach agreement, as a result of personal intervention by the Secretary of State. The fact that the Secretary of State can go to the Cabinet over any issues before them and cross swords with a Departmental Minister is quite a factor. I am not saying that there is no difference between the extent of the effective power in the field of executive and the field of oversight—there is a big difference—and the field of agriculture is intermediate in that there is a joint responsibility.

14. Considering the functions of the Secretary of State, is it unfair to say that there is a danger that Wales will be governed effectively by an elite civil service? It is not real participation by the people themselves, because the facilities of the United Kingdom Parliament are restricted, and time schedules there are taken up by so many topics. Therefore is there not a real danger of an elite civil service controlling the affairs of Wales?—I think dangers of that kind—and as you will have gathered from my reply to a previous question, I would regard development on those lines as a danger—might arise for two reasons.

One is that if accountability is only to Westminster, then the amount of time which can be made available is limited, and the amount of interest by members generally is also limited. The other factor is that, as the functions of the Secretary of State grow, it becomes necessary for him to delegate more and more of the work to officials. If the Secretary of State had full responsibility for education, for agriculture, for child care, and for various other things one can think of, the volume of work would be pretty considerable.

15. SIR BEN BOWEN THOMAS: Turning to the parliamentary situation, are we to gather that you see it as very difficult to improve upon existing provisions in Westminster; that is, the adjournment debate, the debate on the Welsh Report, questions and the Welsh Grand Committee? Have we reached the end of the road?—There could be other, but probably marginal, improvements.

16. Have any of those possibilities been articulated at all in your mind?—Parliament is a wonderfully flexible instrument. I am sure it is not for me to give any dogmatic view now, but I spent some

time as a Clerk of the House of Commons and have a little knowledge of how it operates. If Parliament wants to increase the amount of time it devotes to any one subject it can do so, and if it wants to set up a select committee to look into anything it likes it can do so.

17. But the possibility is rather limited from the point of view of adapting parliamentary machinery?—At the time when home rule was first being discussed as a serious issue, at the time of Gladstone and Asquith and a little later, it was the pressure on parliamentary business that was one of the main arguments in favour of it. The pressure on Parliament has not diminished in the last 50 years, it has multiplied.

18. May I turn to the relationship between yourself as senior official and your colleagues in other Departments in London, and similarly between the Secretary of State and his colleagues at ministerial level. You reminded us that your influence and the influence of your colleagues has increased as a result of the new organisation, and that also the influence of the Secretary of State has increased. Has this influence increased to the point that it can be regarded as really determining? Do you feel that you as a senior official in official conferences have a veto because of your view that a particular measure under discussion does not meet the needs of Wales? Similarly, when the matter reaches the ministerial level of responsibility, can the Secretary of State turn to his colleagues, after exercising all the influence and bringing forward the arguments, and say: "In this matter, Mr. Prime Minister and my dear colleagues, I wish to withdraw, I say no, Wales cannot accept it."? Does influence under the present arrangement advance to that degree?—The approximate answer to that question is that the position of the Welsh Office and the position of the Secretary of State is almost exactly the same as the position of any other Department or any other Minister. We have a constitutional situation in which government operates collectively. Therefore on any big issue Ministers sitting together in the Cabinet may decide to overrule a Departmental Minister and insist on a particular policy, and it will be up to him to decide what he does about that. But usually the view of the Departmental Minister is the view that prevails.

19. Turning to the document, may I quote a passage which is not unrelated to the question I have already put. It is paragraph 34, which says:

"Whereas in the English regions the lead in securing co-ordination between the various Departments concerned is taken by the regional officers of the Department of Economic Affairs, in Wales the lead is taken by the Welsh Office which for this purpose works in close touch with the headquarters of the Department of Economic Affairs in order to ensure that planning in Wales fits into the Government's overall strategies for development."

The point that I am trying to elucidate is: does it ever occur in discussion that the planning of Wales is a thing that needs to be considered sometimes in its own right rather than in relation to overall government strategy?—Indeed yes, the process is an interacting one, done in Wales through bits of machinery which are set out here. The officials concerned prepare their plans and programmes specifically in a Welsh context. When they have got so far with those plans and programmes they then at inter-departmental level see how those plans and proposals fit in with plans and proposals in Departments generally, in Scotland and the various regions of England, and then there will be a feed-back. Sometimes our view affects the overall national view; and sometimes it is the other way round, and the national view affects our view.

20. So if I read that passage as meaning that there is an overall strategy in the United Kingdom which is articulated and that Wales must be pressed into this, this is a misinterpretation?—One can see the thing working if one looks at a particular but quite important part of the machine, the part dealing with public expenditure programmes. In our roads division, our housing division, and our health department we work out programmes for the sectors which are our responsibility, knowing what Welsh needs are, and how England and Wales as a whole are tackling the same subjects. While we are engaged in this way, there are other people in the Treasury and in the Department of Economic Affairs who are studying the economy and working out what should be the national public expenditure programme. These two things have got to be brought together, and there is then an interaction between them.

21. MR. HAYDN REES: May I preface my questions by remarking that this may be Sir Goronwy Daniel's last public appearance on behalf of the Welsh Office. As the only representative of Wales from local government, I would like to say thank you to him for his work at the

Welsh Office and to the Welsh Office itself. May I then ask him whether there is any difficulty in the Welsh Office taking over more functions such as the Scottish Department has?—Thank you very much, sir, for the first part of what you said. As regards the second part I would not see any great difficulty in an extension of the Secretary for Wales' responsibilities on similar lines to those in Scotland. A function that could very easily be transferred with advantage at a very early date, and should fit in with developments that are taking place in the light of the Seebohm Report, is child care. This would fit into the work we are doing in health and welfare and housing, and would accord with the Seebohm recommendations for local authorities. Responsibility for education, as has already been done in Scotland, might also be transferred.

22. CHAIRMAN: May I ask if there is any reason why it was not transferred? One would suppose it is the oldest of specific Welsh Departments, and it is a field in which there have been differences in policy and practice between Wales and England for longer than most. One would suppose it would be the very first function to be transferred. Is there some special reason why it was not?—I am not strictly in a position to give you this. I cannot tell you everything I know about it.

23. Perhaps we shall have an opportunity later of asking the Principal of University College Aberystwyth?—I am not sure; there is the Official Secrets Act. But a point which I have been very conscious of is that organisations take a little time to grow, and that there are advantages in proceeding step by step. I was myself quite anxious that we should take over another function only when we had fully digested the work that had already been given to us. The way in which the Office has been built up has, I think, been advantageous, and we have been able to cope with the work. I think that in a year or two we should probably be ready to take up some more.

24. MR. HAYDN REES: It would follow that full agricultural services could be run by the Welsh Office, instead of the half and half situation we have now? It happens in Scotland, does it not? Scotland has powers over agriculture?—Yes. The Secretary of State of the day will need to consider what are the various candidates for the next meal and decide which he would rather have at the time. It might be agriculture, or education, or something else; it will depend on circumstances.

25. There is no problem in taking over such responsibilities as far as the Welsh Office is concerned?—No.

26. What others might come over in line with the Scottish Office? They deal, for instance, with the Fire Service, Land Commission, and so on. Would you envisage that those would properly come to the Welsh Office as well?—We are in much the same position on the Land Commission. On the fire services, there is the point that they work very closely with the police, and whether one would want to take over both the police and fire services I am not sure. My own view would be that education would be a more interesting service.

27. MR. HAYDN REES: But you would not disagree with the view that whatever the Scottish Office has, the Welsh Office could undertake?—There would be no difficulty in the Welsh Office doing the same work as the Scottish Office does.

28. On pages 7 and 8 of the written evidence you refer to the work of the Welsh Grand Committee and the Scottish Grand Committee. Would it be right to say that the Welsh Grand Committee has few teeth and the Scottish Grand Committee has many?—Yes. I would say, sir, that the Scottish Grand Committee is a more active body than the Welsh Grand Committee. I would guess that one of the reasons is that you have distinctive Scottish law. English measures have to be translated into this Scottish law, and that is an exercise in itself.

29. Then you mention in paragraph 26 that Scottish affairs have a select committee, but Wales has no select committee. Is it a disadvantage to do without a select committee for Wales?—From the point of view of the civil servant, the more he is allowed to get on with his work the better, so from the civil servant's point of view there is no disadvantage. From the point of view of the public, I think it would depend on whether there was a really worthwhile subject of inquiry. I cannot think of anything myself to justify it. If there were, I would feel it ought to be looked into in detail by Members of Parliament.

30. Paragraph 57 of the 1967 White Paper (Cmnd 3340) indicates that further consideration will be given, in the light of the Royal Commission's Report and other developments, to a Council for Wales. Was the phrase "other developments" intended to include this Commission sitting and reporting?—I do not think that was in the mind of the Secretary of State at

that time. It was simply that there might be need for more extensive inquiries. He did not realise at that time, I think, the precise form that those inquiries would take, the form of the present Commission.

31. In other words, it would be premature to bring an elected Welsh council into being pending the report of this Commission?—I think that is a question for the Secretary of State.

32. On an elected council, or any assembly you can think of, have you given consideration to the question of representation and the balance of representation? You have all the population in South Wales, and not so very much in North Wales. What are the problems that will ensue from that, in running any assembly, elected council, or parliament for Wales, or whatever you wish to call it? There is a feeling in North Wales, if I may express it, that if there were an elected council or parliament for Wales, the preponderance of members would be from South Wales, based on population. Is there any way of weighting that representation to make it more balanced?—Certainly there are technical ways of weighting. There are the ways used, for instance, inside the European Economic Community, but whether it would be right to have such weighting is questionable. I would not like to express an opinion on that. The obvious straightforward thing is: one man, one vote.

33. I notice that the Welsh and Scottish Permanent Under-Secretaries are Permanent Under-Secretaries, and the other Government Departments have Permanent Secretaries. Is there any reason why the Welsh Permanent Under-Secretary should not be a Permanent Secretary? Why should they be down-graded?—There is no down-grading in that. Indeed, if anything, it is the other way round. Where a Department is headed by a Secretary of State, the Permanent Secretary is called the Permanent Under-Secretary of State. The Secretary of State normally carries a higher precedence than a Minister.

34. Would you agree that whatever assembly, if any, is set up, be it an elected council or otherwise, it should take power from above and not from local government?—Personally yes, one hundred per cent.

35. MR. HOUGHTON: Were you Permanent Under-Secretary of State when the Secretary of State for Wales was created in 1964?—I became Permanent Under-Secretary of State very soon after, within a week or so.

36. You have seen the development of the Office almost since it began?—Yes, sir.

37. In paragraph 14 of the written evidence, you describe how the Minister for Wales graduated from being a Minister for Welsh Affairs tagged on to the English Home Secretary to being a full blown Secretary of State for Wales, and there is a reference to the creation of the Secretary of State "in response to the continuing demand for a treatment of Wales more comparable with that of Scotland". Is there in your view, therefore, any necessary connection between the difference in devolution of responsibility and improved efficiency or economy of administration? —The view was taken, during the arguments for or against having a Secretary of State, that it was incompatible with efficiency, and one could understand why central Departments in Whitehall, at any rate some of them, were inclined to think it was unnecessary and that it would be inefficient to have it. I do not agree with that view.

38. If there was any element of improved efficiency and economy of administration in devolution to Wales, would you say that the same improvements in administration should follow devolution to Yorkshire?

—I would say that there are advantages administratively in devolution, and that in theory they might be obtained if the structure of government were such that one could afford to have a Cabinet with sufficient members to enable there to be a Secretary of State for Yorkshire, the north-east, the south-east and so on; but this raises a difficulty. There is the problem of whether the breakdown of government responsibilities should be functional or territorial; it is very difficult to have both. There can, however, be a breakdown which is mainly functional and partly territorial, provided the number of territorial Ministers is not too great.

39. If there were this improved efficiency to come out of the creation of the Secretary of State for Wales, do you know why he was not given at the outset the range of powers that he has been given since? Why did he not get the lot to begin with? —There are, of course resistances to this to be taken into account. Departments do not like abandoning their conscience to another Department. The other point is that I personally, and my colleagues in the Office, and the Secretary of State at the time, felt that it was desirable to proceed step by step. The Scottish Office took a long time, much longer than the Welsh Office, to

build up to the degree of responsibility that we now have after five years.

40. If you turn to pages 12 to 13 of your written statement, you will see that there were certain powers transferred on 1 April 1969 and this Commission was appointed on 15 April 1969. Do you see any connection between those two?—No, sir.

41. Does it not occur to you that the powers were transferred on 1 April in anticipation of the setting up of this Commission a fortnight later?—No, sir. Historically, in terms of what in fact happened, the Welsh Office had pressed for an extension of responsibilities well before there was any discussion about the need for a Constitution Commission, and Ministers had agreed in principle to an extension taking place quite a time before the Transfer of Functions Order was introduced in the House.

42. Is it not strange that it took five years for the Office to get control of ancient monuments, and they only came in on 1 April 1969? Was this not a sop to Wales on the eve of the creation of a Constitution Commission?—I would not go along with that. The point of view of the Office was that we had to start with a few significant executive functions. We already had some significant functions, and as soon as we felt we could take on some more we asked for more. After a certain amount of argument we were given more, and this procedure has been going on pretty well continuously in the last five years.

43. Have you still more powers to ask for? Since comparison has been made with the Secretary of State for Scotland, have you got what the Secretary of State for Scotland has got, apart from special matters relating to Scottish law? I know Scotland can settle its own divorce laws, and Wales cannot. That is a distinction between Scotland and Wales which might form part of any further devolution in Wales, the power to settle many matters such as moral issues and controversial questions, apart from local option. But apart from those matters which are distinguishable in Scottish law, are there further matters of administration which you would like still to gain?—The main functions falling into this category are the functions of the Home Office, full responsibility for agriculture instead of the joint responsibility, and education.

44. You have no doubt studied the difference between the Secretary of State concept and the home rule concept. What would you say from your experience would

be the difference in terms of administrative efficiency between the Secretary of State and home rule? I know the fundamental difference between the two is that of representation and the devolution of political power and democracy. That is what this is all about, the politics of the matter. The decision to set up a Secretary of State for Wales was a political decision. To have home rule would be a political decision, whether it was more efficient or not, and if people want independence they go for it. They would rather have bad government and self-government than good government under somebody else. That is the basis of the demand for independence. That demand of course may come out in the course of our investigation, but looking at it from the point of view of administration and civil servants, how do you evaluate the difference in terms of economy and efficiency of administration between the Secretary of State concept and the home rule concept?—In all matters of government one is faced with a battle between two concepts. One is the concept of participation and representation, what one might call the democratic angle. From that point of view the more councillors you have, the longer they sit, the more business they do and the more detail they go into, the more participation and the more democracy. The other point of view is that of the administrator. The less time he is dealing with Parliament, the more time he is on the job and applying himself to it, and the larger the unit he is dealing with, the more efficient the administration. Clearly there has to be a balance between those two things. Moving from the Secretary of State to a home rule parliament, one is shifting that balance in the direction of democratic participation. There is no difficulty from the point of view of administrators in working either system. Indeed, whatever system politicians decide on—and I entirely agree the decision is a political one—whatever machinery they set up, the Civil Service will work it.

45. LORD KILBRANDON: May I put one question to you which relates to this question of participation, and also to an answer which you gave, or rather refused to give, a short time ago. Lying at the bottom of this question of participation is the fact that many people will say, "What are they up to? What is going on behind our backs? Why can we not find out?" From an administrator's point of view, a senior administrator's point of view, do you see any objection in principle to such a system as they have, for example, in Sweden whereby all the files of all Government Departments are open at all times to

inspection by everybody, setting aside questions of defence and personal matters? —Setting aside matters of external security?

46. Yes.—Setting aside also matters affecting the interests of individuals, who may be persons or companies or other bodies?

47. I would not go so far as that. I meant, rather, internal disciplinary matters—I think it would be a very salutary discipline in file keeping.

48. MRS. TRENAMAN: If I may say so, I sympathise with Sir Goronwy for having to answer that last question. I would like to ask one question of a different kind, and that is, what has been your experience of regional planning in Wales? I know that this has only been going on for a few years, but in Wales as elsewhere much was expected of it.

What in your view has it produced for Wales that would not otherwise have been produced? You have mentioned already some co-ordination in public investment programmes, and to the extent that this is done it is probably done better now, but can you outside that field suggest any particular aspects of this which would throw some light on how it is working?

—The fact that we have a full permanent department in Wales with a Secretary of State means that our experience in the field of regional planning is not readily applicable to what one thinks of as regional planning in England. From what I have seen of regional planning before the setting up of the Secretary of State, I have considerable doubts about its worthwhileness. It has gone, of course, much better in Wales because of the difference in constitutional position. We have been able to do things more effectively. The field covered by public expenditure is so important one should not leave that out. We do in fact determine our own health programmes, our housing programmes, water, sewerage, and so on, and there are other things where the Secretary of State has been able to intervene quite decisively.

49. May I ask as whether in your view the Secretary of State, given his creation and his enhanced responsibility for the Welsh Office, would not in any case have been able to secure a greater integration of the investment programme and a stronger voice in the Cabinet whether or not there had been any regional planning council or any of that machinery?—I think it is true to say that the Secretary of State would have been able to take decisions in his field whether or not this machinery had

existed, but I believe the quality of the decisions that he has in fact taken has been improved by the discussions that have gone on with the Welsh Council, as well as by the work that has been done by officials interdepartmentally on the Welsh Planning Board.

50. DR. HUNT: We have been rather taking it for granted, so far as discussions this afternoon are concerned, that under existing constitutional machinery Welsh interests are in fact neglected at Whitehall and Westminster. Can it be indicated to what extent Welsh interests are in fact neglected under the present constitutional arrangements?—I hope nothing I have said gives backing to that view. I do not think that Welsh interests are neglected by the Government.

51. So to promote Welsh interests you do not see any need for change in the present constitutional arrangements?—That does not necessarily follow. There are two ways of dealing with Welsh interests. If there is a problem which arises it can be dealt with by the machinery of government as it is, and dealt with efficiently. That does not mean to say that there is not a question still to be answered, namely, whether the present machinery could be improved from the point of view of accountability. Problems are there, they are recognised, decisions are taken about them, and taken about them in a certain way. There is a certain measure of accountability, but the problem is whether you can in fact increase the democratic content and reduce the bureaucratic content of the present decision-making machinery.

52. I can see the force of that, but what you are in fact telling us is that under the existing constitutional arrangements the interests of Wales are not neglected in the central decision-making processes. Could I ask you one other question on the financial side? You gave us an additional figure at the beginning of your evidence. Does that additional figure include social security expenditure?—Yes.

53. Could I just follow that up? In the information on finances which you have given us there is a good deal of public expenditure in Wales. There is nothing on the income side. Do we know what taxation goes to the central government as a result of taxation in Wales?—This is a very

intricate field and there are scraps of information available. To piece those scraps together to provide a full picture is a complex task. Professor Nevin made a very good shot at it some time ago, and there is a publication on the Welsh economy by him. I do not think anyone has got much further than that in presenting a complete national income and expenditure account.

54. Is there a chance of that being brought up to date?—I do not know what Professor Nevin's plans are. It requires an expert economist to do it and also requires, I think, a lot of new information to be got out by the Inland Revenue and the Treasury.

55. SIR MARK HENIG: In reply to Mrs. Trenaman you made some implied criticisms of the economic planning structure, at least as far as England is concerned compared with what is happening in Wales, and in its reference to economic planning, at the top of page 14, your written evidence uses the words, "in order to ensure that planning in Wales fits into the Government's overall strategies for development." Do you not think that there ought to be at times a reversal, that the Government's overall strategies for development ought to fit in with planning in Wales, and do you not agree that as far as regions in England are concerned, this often happens? Are you saying that in Wales it does not?—I entirely agree with you; there must be interaction, there must be feed-back both ways. Sometimes Welsh planning requires an alteration in the national plan and sometimes national planning requires alterations in the Welsh plan.

56. This does in fact happen?—Yes.

57. CHAIRMAN: I think that if we are to keep to our timetable we ought now to adjourn. We are most grateful to you, Sir Goronwy. It is perfectly obvious that we have only touched the fringe of very important matters, and we shall have many more questions to put to you. Perhaps if we wait a bit until you are installed in the College at Aberystwyth, and the last shackles have fallen away and you are a free man, we may be able to pursue some of these matters to their conclusions.

(The witness withdrew)

EXAMINATION OF WITNESS

THE LORD OGMORE, ON BEHALF OF THE WELSH LIBERAL PARTY, CALLED AND EXAMINED

58. LORD OGMORE: I am very grateful to you, my Lord Chairman, and to the members of the Commission for giving me this opportunity to meet you this afternoon. I am President of the Welsh Liberal Party and, as you may know, I introduced into the House of Lords a Bill approved by the Welsh Liberal Party in January 1968. Before making a reference to the Bill it might be convenient if I made a few general observations as to how I see this situation in Wales. I can confidently claim that what I say represents not only my own view but the view of the Welsh Liberal Party and, for that matter, the view of the Liberal Party in England as well.

There seem to be two questions to answer: first of all, whether there should be legislative and governmental devolution and, secondly, if there is to be such devolution what shape should it take?

So far as Wales is concerned, Wales is a nation with an ancient culture and an ancient language, but it is only by sweeping changes in the political and economic systems in Wales that the genius of the Welsh people will flower. The real and lasting solutions to the problems concerning Wales are not to be found in Whitehall and Westminster but in free and informed discussion in a Welsh legislature, with its own executive to carry out its policy.

Great Britain evolved as a political-geographical unit with a strong centralised structure as a result of powerful historical factors. The liquidation of the Empire led to an alteration of Britain's status, but the centralised power structure remains stronger than ever. Furthermore it has taken on new and ominous characteristics, with executive government, the nationalised industries and big business becoming the dominant powers, with decision-making centralised in London. Meanwhile the individual is fast losing his identity and his significance, with little opportunity for taking part in decision-making and with consequent danger of frustration, apathy and cynicism.

The process is accentuated by the same tendency in industry, where the worker is a very small cog, isolated from top direction. The same giant forces are at work with nation-states, except for the three giants—namely, the United States, the Soviet Union and possibly China—these nation-states being forced to combine economically: hence the pressure on the

United Kingdom to join the European Economic Community. With these mammoth forces directing man's environment, it is essential for the individual to have some say in directing his life. These enormous forces have come too quickly, I would suggest, for man to grasp them or to identify himself with them; yet it is vital that he should identify with some of them which so govern his life.

Just lately we have had the Investiture in Wales, and all who participated in it, even by television—and it had world coverage—will know what enormous emotion was generated by that historic event and how much the identity of the Welsh nation was enhanced by it.

The Welsh Liberal Party Bill moved by me in the House of Lords on the 30th January 1968 is the basis of our party policy. On it is based our economic policy and our social policy. It has two objects: first to provide for devolution of powers in relation to the internal government of Wales and, secondly, to extend the principle of federal government in the United Kingdom. There are some who say there is no federal government in the United Kingdom and that it is purely a unitary state. To a large extent that is true, but even now there is some element of federalism. We have Northern Ireland—I am prepared to discuss that at more length if necessary—and we have Jersey, Guernsey, Alderney and the Isle of Man, which are all in some relationship—though of different kinds—with the executive in Whitehall.

As you know, federalism is the policy in which several states form an united country but remain independent as regards internal affairs; and as Sir Goronwy Daniel so rightly said earlier this afternoon, this has long been a major item in Liberal policy; it is indeed Liberal policy, and it was fought for both by Mr. Gladstone and Mr. Asquith and their Governments, and it cost the Liberal Party dear in so doing. But the Liberal Party continued, because it was satisfied this was the right thing to do, however much it cost. The Liberal Party is concerned neither with the concentration nor the relaxation of power, but with the dispersal of power.

After our Bill was debated in the House of Lords on 30 January 1968, very considerable discussion was continued in the

press, on radio and on television in Wales, and Mr. Gwynfor Evans and I debated on television before an invited audience—that is, invited by the BBC—this subject of whether we should have home rule with a domestic parliament such as I suggested, or whether we should have independence such as the Welsh Nationalist Party has proposed. "Independence" Mr. Evans now describes as "Commonwealth Status", i.e. as independence within the Commonwealth: in those days he described it as "dominion status". However, these are the two concepts.

Now as Sir Goronwy has said, if the United Kingdom Parliament was overburdened as described by Mr. Gladstone in 1879, it certainly is now. I have been a Member of Parliament altogether for very nearly 25 years—five years in the Commons and the rest of the time in the House of Lords—so that I have had some experience of the burden on the Parliament at Westminster. I was a Minister for four and a half years and have been in three Departments, so I also have some experience from a ministerial point of view.

Various polls have been taken by the press and others, and in all the cases I have seen it has been shown that a majority of the Welsh people desire home rule of some sort—not by a very big majority, but by a majority. I would say that, although it is difficult to make assertions and produce other evidence, on the whole the polls have shown that the Welsh people certainly do not want separation from England or from the rest of the United Kingdom, and that they are more likely to want the sort of devolution that we of the Welsh Liberal Party propose. Both the Labour Party and the Conservative Party have gone some way in this direction over the last few years and have taken considerable steps in administrative devolution but not in legislative devolution.

This interesting memorandum put in by Sir Goronwy underestimates, I think, the fight that went on to get so far. Sir Goronwy, quite naturally, dealt with the question as if the only fight was between his own Department and the other Departments. Of course, no Department likes giving up power but I was one of those who, for many years, advocated the creation of a Welsh Office. We had great difficulty in getting it started. There were many powerful figures indeed—and I can give names if necessary—in the Labour Party and the Conservative Party who were against it. The pressure came from outside the Government of that time to get to this state. I personally advocated for years the

creation of a Welsh Office—funnily enough, linked in my advocacy with the "Western Mail", because we were together on this.

I advocated this development of a Welsh Office because I regarded it as an essential preliminary to home rule and a Welsh parliament. I thought it was essential to have the experience in the hands of civil servants and others before we went to home rule. Now that we have had the administrative experience and the ministerial side has had the experience, it is time to go for the legislative proposals. So far as my Bill is concerned, it provides for defence, foreign affairs and other matters and the overall direction of the economy to be reserved to the United Kingdom Parliament and all other matters to be reserved to the Welsh parliament or senate. One of the proposals in our Bill is that the parliament to be established should be called "the Parliament of Wales" and should consist of a Governor acting on behalf of Her Majesty, and a single legislative chamber known as the Senate. This is a personal view, but if that should come about in a reasonably short time, as I hope it will, I would like to see the first Governor of Wales being HRH Prince Charles, The Prince of Wales. Unless you wish me to do so, I do not propose to go through the Bill in detail at this stage.

I believe the devolution proposed in my Bill would do more than anything else to give the Welsh people a sense of participation in the domestic affairs of Wales, whilst yet enabling them to have some say in the economic and overseas affairs and the defence of the United Kingdom as a whole. By this means the natural genius of the Welsh people would be encouraged to flower in the service both of Wales and of the United Kingdom. Thank you.

59. CHAIRMAN: Thank you, Lord Ogmore. I would like to exercise the Chairman's privilege and ask you one or two questions myself before calling on my colleagues. At the outset you said there were two questions to be answered: one was, should there be legislative and administrative devolution to Wales and, secondly, if so what form it should take. I would direct my question to the first of those. As to the objects to be secured by home rule, if we may use that phrase for brevity's sake, you said that you drew a definite relationship between home rule and political organisms and the cultural flowering of the people of Wales. I wonder if there is evidence of that? Perhaps I could ask you this: would you say the cultural flowering of the people of Ireland has been

noticeably greater in the last fifty years when they have had home rule than it was in the decades before, when they were part of the United Kingdom? Have they had poets greater than Yeats, painters to match Lavery, writers to match Joyce? Is there really such a direct connection between political organisms and cultural matters? —Yes, I would say there is. I would say that without self-rule the culture you get is the culture of protest. We have, of course, never been—at least not for many hundreds of years—in the position that Ireland has been in.

Most of the Irishmen you referred to were really Anglo-Irishmen. They were of “the Establishment”; they were the Anglo-Irish and not the real Irish, the celtic Irish. The Irish were occupied for hundreds of years and dreadful things were done to them. We have not had that. We have had a lot of things done to us by our own people, which is rather different. I myself feel that we can flower: we have the seeds there in our culture. Our poets and our writers will appreciate very greatly that we not only are a nation but that we rule ourselves. People want to feel that they may rule themselves. Mr. Houghton said “better bad self-government than good rule by others.” I hope we shall have both self-government and good self-rule.

60. I hope you will not take my questions as representing any taking up of position either for or against home rule; I was exploring the realistic reasons that can be advanced for it. I would like to ask a parallel question to the cultural one: do you think that the material welfare of the people of Wales would be enhanced by having home rule? Would they be better off under home rule than without home rule and, if so, how and why?—That is an easier question, because I do not think the cultural one has any similarity with Ireland. The culture will go on and will be increased if we have our own government. However, there is no doubt about the economic one. Economically I do not doubt that there is a great disadvantage in being controlled by Whitehall or by Westminster and the City of London. We have the small belt of North Wales, which is semi-industrialised and urbanised, with hotels and boarding houses, and then we have the big industrial belt of South Wales: in between the two there is almost a desert. There are parts of Mid-Wales which have less population today than they had in the reign of Elizabeth I. Radnorshire, for instance, has a population of some 19,000 and some 22 local authorities.

I do not believe that if there were a Welsh parliament there would be a “desert” between North Wales and South Wales. I think this is one example of the way in which the interests of Wales have been scandalously dealt with in Whitehall or Westminster. I do not suggest that anybody goes into his office and says, “Now, how can we victimise the Welsh today?” Nobody does that, but I think the Welsh Office has given the game away. One of the members of the Commission referred to paragraph 34 of the memorandum of the Welsh Office, which reads:—

“One important field in which this co-ordination takes place is that of economic and regional planning. Whereas in the English regions the lead in securing co-ordination between the various Departments concerned is taken by the regional officers of the Department of Economic Affairs, in Wales the lead is taken by the Welsh Office, which for this purpose works in close touch with the headquarters of the Department of Economic Affairs in order to ensure that planning in Wales fits into the Government’s overall strategies for development . . .”

—in other words, that it fits into the English pattern. Of course, England is so much bigger than Wales.

I would like, if I may, to take up the subject of communications. Communications are vital in a country like Wales. I put communications before anything else, except education—I certainly put them before the allocation of factories. What has happened here is that a factory has been put down wherever there happens to be a pressure group. This is generally because there is unemployment, and not because there is any other particular economic need. But communications are vital. Take Aberystwyth as an example. It is a very important centre, but just see how long it takes to get there from Cardiff, which is the capital of Wales. I was the Minister of Civil Aviation and I have a certain amount of personal feeling about this question. I feel a Welsh government should develop either a really good system of civil aviation—and subsidise it—or else a system of good road communications. At the present time we have no good rail, road or air communications.

Then you take the ports system. I do not want to expand on that situation, but Cardiff is a “grey area”. There is a great deal to be said for a free port. This question will be looked at very differently by a Welsh government than it is by an English government.

61. I would like on another occasion to go into this, and particularly into the Radnorshire "desert", Lord Ogmore, but might I ask Professor Newark to speak now. He is the Northern Ireland representative and has a particular view of this.

62. PROFESSOR NEWARK: I have read your paper with great interest, Lord Ogmore. I think it is fair to suggest that when you were drafting it you had the Government of Ireland Act at your elbow? —Yes.

63. There are certain omissions in your Bill, and I am not sure whether they are accidental or intended. One such omission relates to clause 2 of your Bill, which is broadly comparable with section 4 of the Government of Ireland Act. I have in mind the absence of any provision corresponding to section 4(7), which deals with trade, and in particular the omission in the list of reserved taxes in clause 2 of Customs and Excise. Is it the intention under this Bill that Wales would be in control of its own Customs and Excise? —It is not an accidental omission at all. I intended that this should be so. Of course, all this is a proposal and a Bill, and as it says in our Bill, the duties allocated to the Welsh Parliament can be changed if necessary. However, I drafted the Bill in this way because of my feeling that, unless we get some control over trade and some control over customs duties, we shall not be able to do what we want to do.

64. You are quite ready to see a customs barrier in the country? —Not necessarily a customs barrier. I was thinking—this would have to be done in conjunction with England—that we might have at, say, Milford Haven the same sort of arrangement as the Republic of Ireland has at Shannon.

65. And trademarks and copyrights will be involved too? —Yes, we will probably have to have that power when we have a government such as we propose.

66. I should have thought it would be very awkward to have a distinct Welsh copyright as against a United Kingdom copyright. —I do not think it is an important matter. I could waive that if it was thought desirable.

67. The point was that it was omitted; therefore I assumed it was intentional— Oh yes, it was intentional. I put in the Bill as much as I could get away with. There will be all sorts of objections, but why should I give everything away at first without negotiation?

68. Now as regards extradition you propose that should be transferred. Would that not be extremely difficult with this long boundary—the felons of England would slip over to Wales, would they not? —Plenty of countries have got this problem. The fact that we have always been an island has meant that we have the Habeas Corpus Act. Other countries have not got it. Most countries have this boundary problem—Holland and Belgium and so on. I feel the police might have to be a bit alert, of course.

69. Yes, but there must be formalities before you can hand a man back. We have the same problem between the North and the South in Ireland. It means there is a great coming and going across the border. —We should have to learn from the experience in Northern Ireland. If you are going to give a government power, there must be real power and a real government, not just a sort of county council with a bit more power.

A Welsh government must be in a position to govern, and I would have thought extradition was one of a number of essential features. For instance, a Cornishman might feel very strongly if the English government wanted to haul him away from Wales, or still more a Breton would object if a French government wanted to haul him back. There are quite a number of Bretons on the run at the moment. Supposing one turned up in Wales, it would be a very acute problem in Wales if a Welsh government decided to push him away back to M. Pompidou.

70. CHAIRMAN: You also mean to include the whole range of aviation powers and not just aspects of it—in other words, a flight between Cardiff and Bristol would be a matter of agreement between the two governments concerned? —Yes.

71. And an American airline taking off from London on a flight to America would have to seek permission to fly over Wales? —No, this is not necessary now. In any country there are international agreements which provide for over-flying; but if the aircraft wanted to come down in Wales and pick up passengers, there would have to be an application to the Welsh government.

72. PROFESSOR LLOYD REES: I have read your Bill with great interest, Lord Ogmore. It seems to me you place a great deal of weight upon the Exchequer Board. I see that this is to consist of one Welsh and one United Kingdom member, together with a chairman representing the Queen, and it would assess the Welsh

contribution to the liabilities—the Second Schedule liabilities, as you call them—determined according to taxable capacity. May I ask you whether it is intended that the burden of taxation falling on the shoulders of the Welsh nation for such items as servicing the National Debt and for military expenditure and so on will be no greater and no less than it is now?

I do not think we know exactly what it is now. That is the point. Professor Nevin has put up as near a cockshy as you can get with these figures, but nowadays—particularly when so much is centralised in London—it is almost impossible to say what comes from Wales and what does not. But at all events this is the established practice of a joint Exchequer Board, which would try and reach agreement. Wales does not want to get out of its responsibility for these reserved subjects, and I think we should do our share also on the National Debt.

73. Would the effect of the proposed measure be that income tax and certain other comparable taxes would be decided in London, whilst others would be decided by a Welsh assembly?—Yes, I presume there would be consultation on all these matters. The Chancellor of the Exchequer would probably consult with his opposite number in Wales. Basically, that is the position.

74. It could be that the Welsh parliament might decide to vary the policy on health and education and so on within the Principality, so that it would be different from the rest of the United Kingdom. For this purpose it would require revenues, and these revenues would need to come from income and comparable taxation, together with indirect taxation, such as purchase tax on washing machines and motor-cars, and so on.—Yes it would get a proportion of the general taxes, of course. It would already have such things as road fund taxes and customs duties.

75. Professor Nevin brought out the point that if there was to be an independent authority for health and education, etc., from the rest of the United Kingdom, this would require a variation in purchase tax rates, and so on. This would necessitate the control of customs and excise by Wales, and this would seem to cut across Liberal sentiment for free trade generally, and for free trade, particularly, between these two very closely integrated economies of Wales and the rest of the United Kingdom.—Of course it is Liberal policy, but so many people in the world are not liberal. If we decide to have no customs duties, no one would object more than the English. In

other words, you cannot have it both ways. If England is having customs barriers, then we have to have them. They need not be exactly the same, particularly in an area such as I have described, where you have a port such as Milford Haven run on the lines of Shannon.

76. Would you envisage that it would be necessary to safeguard the flow of foreign capital into Wales by some special provision? It might require some degree of encouragement, some guarantee against taxation in Wales.—Obviously you could not give any guarantee against income tax rates, but one way in which you could encourage foreign capital is to do what the Irish have done in Shannon with the free port. That is one reason why I advocated that we should consider very carefully Milford Haven as a free port along these lines.

77. DR. HUNT: Lord Ogmore, you gave us an example of the wilful neglect of Welsh interests. You talked of the depopulation of Wales as being one of the examples of this, but as I understand it, there has also been a fair amount of depopulation in Northern Ireland during the period that they have had home rule there. Is depopulation necessarily the result of a neglect of Welsh interests?—Well, I do not want to make this a racial thing. I am sure they do not go round saying, "We want to grind down the Welsh." The English have neglected some of their own areas in England and some in Scotland too; but I think that if Ireland had still been under England it would have been much worse. The Irish Republic has done a very good job with very limited resources. I think in many ways they have developed their resources in a manner which they could not have done if they had still been under England.

78. But could you not argue that the distribution of industry policy which has been followed by the British Government is one which has reduced considerably the amount of depopulation occurring in Wales? How would you envisage that your policy would operate—would an English government stop directing industries to Wales and stop expansion in Wales if there was the degree of federal independence that you envisage for Wales?—I am afraid there is a misunderstanding on this all round. The British Government is giving sops to industrialists to offset the difficulties of coming to Wales, instead of trying to remove the difficulties. One of the greatest difficulties is this lack of communications in Wales, which is stressed by the Edwards Report on air communications. What has

been done is to scatter factories around like confetti. In an area where there is unemployment, pressure is put on Members of Parliament, and in turn on Ministers, and eventually a factory is put up in some tiny mining valley, with no communications except one road up the valley and a railway that has ceased to function except for carrying coal. They persuade or bribe some English manufacturer to put up a branch of his factory, and he does. But as soon as that manufacturer's business begins to decline—for whatever reason—his Welsh branch is closed down. It is his main factory in the Midlands that carries on, not the Welsh branch; so you are left with a derelict mining village which is more derelict than ever.

79. PROFESSOR LLOYD REES: Do you think that merely improving the poor communications between the rest of the United Kingdom and Wales, plus the distribution of industry within Wales, would be sufficient to ensure a stable and high level of employment for the Principality? May it not be the case that without the power to vary the exchange rate, for example, you have achieved a sort of halfway house where you would not have the substantial powers needed to maintain employment in the modern world?—It is my opinion that if we had our own government it could look at the questions of Wales. If it had the power to do certain things that I have described, plus others, that would put Wales on its feet. No Welshman should be content with a "desert" between a small strip in North Wales and the industrial strip in the south. While that continues, it is a reproach to every one of us.

80. CHAIRMAN: I am most interested in what sort of measures, Lord Ogmore, you can envisage the Welsh government taking to populate the desert of Radnorshire?—I think myself the essence of the whole thing is communications. If you go to Radnorshire or Denbigh or Merioneth there is this pitiful lack of communications. Sir Goronwy tomorrow will be the principal of the College at Aberystwyth. If he wants to get you, my Lord Chairman, to lecture at Aberystwyth he will have to send a car to meet you on the London train at Wolverhampton or Shrewsbury, and he will then take you by car from there so that you can lecture in a town on the west coast of Wales; and the next day following that, when you have given your excellent lecture, he will have to repeat the process in reverse. That is what they have to do now at the University College at Aberystwyth—and when there is a group arriving

they send a bus. Do you think that is the sort of situation which English visitors or English manufacturers will put up with?—Well, that is the situation in Mid-Wales today. Another example is that in order to go to the Investiture, I wanted to go from London to Port Meirion on the Sunday before it. I was told that there was no rail link on Sunday, and so I had to go by car. It took eight hours.

81. You think that a Welsh government would put that right, and that would result in an increased population?—I am just saying that, first of all, if you get communications right, whether it be by road, air or rail, then you could build up existing towns in Mid-Wales.

82. Forgive me—how?—By grants, if necessary, to industrialists to come to the area.

83. Larger grants than the United Kingdom Government already gives?—Different kinds of grants, because I do not think the industrialists of today are getting the sort of grants they ought to have. They are getting them very largely for factories.

84. SIR JAMES STEEL: I would like to correct an impression about the development area grants. What Lord Ogmore describes so vividly represents only part of the incentive. The Board of Trade build factories, but this attracts only a small proportion of the population which moves into development areas. There are large regions—for example, the northern region covers five counties—and the industrialist is free to establish a factory in the whole of that area. He is not directed to any particular part of it and he obtains the 40 per cent grant on plant and 20 per cent on buildings; so that he has complete freedom. The point made by Lord Ogmore about the factories which are provided by the Board of Trade is only a small part of the incentive.—But it is also true that he cannot get facilities in the Cardiff area or the Newport area or the Barry area, and so on.

85. CHAIRMAN: But he can in Radnorshire?—Yes certainly.

86. DR. HUNT: It is part of your proposal, Lord Ogmore, that the Welsh government would subsidise railways to run at a loss so as to produce adequate communications with, for example, Aberystwyth. Yet the situation you are describing between Aberystwyth and the rest of Wales is exactly the same situation that exists between Oxford and Cambridge. There are simply no trains between Oxford

and Cambridge. Are you suggesting that in order to get adequate communications in Wales you are prepared to run railways at a loss and subsidise them by a Welsh government?—I do not want to put too much on railways: I would rather put the emphasis on air. The vertical take-off aircraft on the Harrier principle is going to revolutionise flying. We are sitting here in Cardiff City Hall in 1969, not 1869. My home town is just west of here, and it takes me longer to get to my home town now than it took my grandfather 80 years ago. We are almost in the 1970s, and in the next few years, with the vertical take-off aircraft, there should be no need for all these expensive airport runway and other facilities. The VTD aircraft can move backwards, forwards, up, down or sideways, and I think Wales should be ready for it and have the necessary air communications. I would not say that I would subsidise railways, but I would subsidise air communications.

87. And they would be subsidised by a Welsh government?—They are subsidised now, in the United Kingdom.

88. As to your advocacy of a move towards federalism for Wales, is it not true that in countries which have federalism—the United States and Canada, for example—all the tendencies are towards more and more centralisation? If this is so, is not your advocacy of a move in the opposite direction going against all the economic and social trends of the second half of the twentieth century?—I do not think Quebec would agree with you. I should have thought that if you tried to stand on a united centralised platform in Quebec, you would not get very far. But we must come back to these enormous power structures. How do you get the man in the street to have any sort of identity if he knows that all these powerful forces in Whitehall and Westminster are taking decisions of which he knows nothing and in which he can have no say?

89. So this would involve breaking up the nationalised industries so that there would be separate ones for Wales? There would be separate Welsh railways and English railways; there would be a Welsh Coal Board and an English Coal Board, and the same thing would happen with electricity, and so on?—Well, I do not say electricity and gas—it is not very easy to unscramble the egg. Once it has been made into an omelette, that is that. I would like to have them separate, because then I think we would get a sense of identity such as I have suggested. Take the Port Talbot strike, for instance. I am perfectly

certain that the Welsh steel industry had an extremely good record of labour relations. One of the workmen on strike was questioned on television, and he said "Until we had this latest nationalisation, I used to see the manager walking around and he would go and talk to people, and a man could go up to him and talk." That is the sort of situation men like. They like to feel that what they are saying gets to the people who manage the undertaking.

90. MR. TALFAN DAVIES: Lord Ogmore, might not this instance of a nationalised board for, say, the steel industry in Wales, be a questionable one? Take this example: South Wales depends in a large measure on the works in Port Talbot and elsewhere, and if we are to have a different competitive economy in South Wales from that of England, you and I know that the largest percentage of the output of these steel companies goes to places like Dagenham and to British Motors. If the English government then said, "we must look after our own interests and we will lay down a strip mill near Dagenham", that would be the end of the Welsh steel industry. Is it at all vital to have this division of Welsh and English industry?—Well, it is very difficult to unscramble the egg, as I have said, but so far as Wales is concerned—I am open to correction on this—I understand that processes in the various works are not separately costed for the purpose of working out profits. As a result, a loss on a process in one place has to be offset by profits made elsewhere. This is purely hypothetical, because I do not know whether unscrambling any of the steel industry is possible, but I am only saying that it is a two-way business. They can limit our profitability here if they want to.

91. You have stressed the importance of communications, and rightly so. What would you say to a block grant being made to a Welsh senate by the United Kingdom Government and the Welsh senate then having to decide its priorities as to the spending of this money—as to whether it should be on education, child welfare, hospitals and so on?—If you take away from the assembly the right of taxation, you make it merely a dispersal body. I would say the Welsh people would like their own taxes to be allocated by their own representative assembly. Take education: supposing we wanted to spend more money on education, why should we not do that? Why should we not allocate more of our resources to that rather than to some other service? We can say, "these are our priorities, and other things can go

by the board." I think all these decisions should be taken by a Welsh parliament which is responsible to the Welsh people, and I do not think they would be responsible to the Welsh people if they had merely a block grant from the Parliament at Westminster.

92. LORD FOOT: On the more general question of the lack of economic progress in Wales and the fact that up to now you have been denied self-government, I am interested—as the Chairman is—in the relationship between the two. If we take your example of the failure to provide any satisfactory system of communications in Wales and what you have described as the "Mid-Wales desert", you are saying, as I understand it, that those two failures of government are attributable to the fact that you have not had self-government. It follows from that, does it not, that the failure to develop communications must be due either to the neglect or the lack of interest on the part of the Central Government in the affairs of Wales, or else due to some inherent defect in the system of administrative devolution which we have seen developing in Wales. To what do you attribute the fact that these matters have not been given attention? Is it lack of interest on the part of the British Government, or is it a failure of mechanism of the Welsh Office?—I do not really attribute it to any failure in the mechanism, because whatever it is decided to grant to Wales the Welsh Office will administer it. The administrative set-up follows the political decision, and not the other way round. I think if you have got a government for what is, for its size, the most highly centralised country in the world—66 million people and one government, and with everything centralised in Westminster—then the tendency is to do things which are going to satisfy the centre and the centralised spirit. There is a sentiment expressed by some economists which in effect says, "why bother about the outbacks of England, Scotland, Northern Ireland and Wales? If we can make south-east England really prosperous we can turn them into reservations, like those of the Red Indians." This is the spirit. I have heard it advanced.

93. LORD KILBRANDON: Whose policy is that, Lord Ogmore?—I have heard economists say in the past, "here we have the south-east of England which is near the continent: why waste money on the north-west or the north-east or West Wales, putting up communications and all the rest of it, when we can do business more easily in the south of England."

94. LORD FOOT: In the south-west of England we too complain that our communications have been gravely neglected by the Central Government, but except perhaps for the Cornish, I do not think there is any movement afoot for separate home rule for south-west England. Is this not one of the facts of life? You could point to many places in England where this situation might be said to exist. This is not due to the fact that they have not got self-government, or that they have not been able to cope with their own affairs: it is due to the fact that, even if Wales or Scotland were not separate nations, you would still have certain areas which had not been looked after. This is one of the effects of centralised government.—I am not putting this on a racial basis, as I have said. The Chairman asked me about economics, but this is not the only issue. We are a nation; and although Devonshire plays a very important part in English life, it is not a nation. We have one of the oldest histories in Europe, and we are a nation.

95. CHAIRMAN: All over the world you have this phenomenon of the rural areas being depopulated and the people voting with their feet to move into the cities. Every government wrestles with this problem—none with any success, as far as I know. What I was anxious to find out was whether you had any magic formula by means of which a Welsh government could solve this, where other governments have failed.—No, there is no magic formula. I have given you my view of various measures we would take, which would mean, we hope, that the rural areas would become less rural. Several steps would have to be taken, and I have instanced only some of them. Our economic policy has been more fully set out in our pamphlet, "Life to a Nation", and it is based on government by a domestic parliament.

96. SIR BEN BOWEN THOMAS: Lord Ogmore, I notice that in the first Schedule of your Bill you bring into the Welsh government the Minister of Finance and Economic Affairs and the Minister of Education. Is there a kind of correlation between regarding education, on the one hand as a function of the national society, and on the other as a service which is designed to sustain and develop that society? While education in Wales may not have developed through the exercise of direct responsibility to the society of Wales, it has produced people like you and like me, and it has produced ideas, preachers, and teachers by the tens of thousands—but not scientists or technologists. Is there a

point there, do you think?—Yes, I think there is. This is an important point, and attention is drawn to it in our pamphlet. We feel rather strongly about it. It is true we have produced teachers, lawyers, civil servants, milkmen and drapers, but we have produced very few entrepreneurs. That is still the situation in Wales today: that is one of our great weaknesses. We have a very small middle class in Wales. It is a disadvantage in comparatively under-developed countries, as many of the African countries are finding now. Wales, with a purely rural structure, had imposed on it, in a great hurry, a great industrial structure; and so we never had the entrepreneurs that England had, where the tendency developed more slowly. We need that middle class. One of the things we have suggested here is a business school for Wales, and also a scientific research and training establishment for Wales.

97. In clause 10 of your Bill you have a sentence which says that the 18 members from Wales who will sit in the House of Commons shall not have the right to speak or vote on legislation relating exclusively to the internal affairs of England, Scotland or Northern Ireland. Are there such affairs that are exclusive to them? This afternoon we have been talking about inter-relationships. Can you shut up a Welshman or a Welsh woman like that in the House of Commons?—Well, it is only fair, is it not? This has been commented upon very strongly about the Northern Ireland representatives. They have, I think, eleven members—in my day they had twelve—and the Labour Party and the Liberal Party, I remember, objected strongly, because in those days the twelve habitually voted against Labour measures, as part of the Tory policy. It was said then, "why should these gentlemen vote on our purely domestic matters, when the other Members of Parliament have no right to vote in Stormont?" I do not know how this will be done, but certainly it is a principle which I think should be established. I do not think you could expect the English to welcome eighteen people at Westminster who would be able to vote in matters which purely affected England. Supposing there was a matter relating to Devonshire, for instance: in those circumstances it would not be right.

98. You might think of another word to replace "exclusive"—"predominant" might be better?—Yes.

99. Now as regards the Civil Service in Wales, have you in mind that there should be a completely independent Civil Service,

contracted out of the United Kingdom Civil Service, without common entrance examinations and interchangeability, and so on? This seems to be envisaged in your clause 24.—Yes, there would be an independent Civil Service responsible to its own Ministers. Whether the Welsh government would accept the same qualifications as do the English Civil Service Commission would be for them to decide.

100. CHAIRMAN: That is the case in Northern Ireland and in Scotland.—We would not force the present civil servants in: they would have the right to stay out.

101. But you would see an advantage to the Welsh civil servant in having been given the opportunity of gaining experience in a wider field?—Yes, I do not think there would be any difficulty. We have been neighbours of the English for 1,500 years, and friends most of the time. I do not suppose there would be any great dispute between us: I look on the English as very friendly people.

102. MR. TALFAN DAVIES: Have you made any sort of computation of the expense of creating this form of government? You have mentioned the Civil Service, for instance. Is there any information you can give as to what expense is involved?—I have none, because there are no figures in this field. We do not know exactly what comes from and goes back to Wales, and it is impossible for me at this stage to make any cockshy at it at all.

103. MRS. TRENAMAN: I want to ask a political question—with diffidence, because I am not sure I am competent—about the proposed Welsh parliament. Lord Ogmore, you were saying that in the context of the distribution of industry, in your observation, a good many decisions about the location of factories and so on had been taken in response to political pressure, and I have a good deal of sympathy with that point of view. If these matters in Wales were ordered by a Welsh parliament, is it your view that the pressure would then disappear and that people would no longer have diverse interests and that all would immediately be sweetness and light?—No, I have been in politics now for about 40 years and I know there will never be any democratic society without pressure—and quite rightly. I hope that in a Welsh parliament the government would be much nearer the ground than happens with the government at present. I would hope that the Welsh government would not deal with economic development on the present basis, because

I believe in growth points and not in scattering factories about. This is a decision for the government, and it should hear pressure groups but not give way to them: then you base your industries around the growth points.

104. Would you expect a very ready agreement among the diversely interested parties on where the growth points would be? More generally, I was thinking that there always has to be agreement on the priorities, for instance, more on transport and less on hospitals, and so on. I wondered whether the normal disagreements which take place in any parliament are likely to be less in this kind of parliament than in the English parliament when dealing with Welsh affairs?—I do not think it would be less, but it would be more informed: it would be nearer the ground. In addition, the Welsh press and Welsh radio and television would be very much more in touch and enlightened and thus in a better position to enlighten the Welsh people. So often now we do not know why things happen—the wind bloweth where it listeth.

—CHAIRMAN: May I say that the Welsh are in no different position from the English in that respect.

105. SIR JAMES STEEL: There seems to be a paradox in that we are agreed that the greatest expenditure in the past has tended to be on amenities and services in the south-east and the midlands. I am from the north-east, which is in a similar position to Wales—we feel we have not had a sufficient share of the cake. But these are the wealth-producing areas of Britain, these areas in the south-east and the Midlands. You suggest much more should be spent by a Welsh parliament on developing the under-developed parts of Wales, and yet I am sure you would not wish to reduce the social benefits or the various contributions to cultural activities. Where is the money coming from? The paradox is that you ought to spend more, but you will have less to spend.—Countries like Wales should be enabled to say, "all right, for the next 10 years we will tighten our belts. We will not spend money on certain objects, but we will concentrate on certain things, such as education or Communications, for instance—those are vital." There are some things which are desirable but not so essential, and these would have to be relegated, because all government is a question of priorities, as you have rightly said. There is never enough money to go round.

106. If a Welsh parliament decided to reduce expenditure on social benefits or culture, and agreed that expenditure would

be upon communications, would the Welsh people accept a lower level of social benefits, unemployment, health, etc., than their neighbouring English people?—I think it would have to be put to them if that was the case. I was in the Colonial Office for two and a half to three years. When the nationalist leaders used to come up, I told them, "If you want to develop the country as you think it should, then you have to realise that something has got to go, you have to have these priorities and you have to be prepared to tighten your belt to get them." We want to develop Wales, and if there is not enough money, as there would not be, we would hope our various measures would enable the economy to flourish, but for a time there would not be enough, and it would mean sacrifices. I do not think there is any worry about that. I think it is a good thing for people to have to tighten their belts. They appreciate what they have got.

107. MR. HAYDN REES: Does it not worry you that the balance of representation would be such that South Wales will again rule the roost, and your desert in Mid-Wales and North Wales will have little attention?—I think this idea of North Wales and South Wales is misconceived. It is Wales as a whole we are concerned with. Wales is one and indivisible really. It is true that something like 75 per cent of the population of Wales live within a radius of 60 miles of Cardiff, and that is a fact that cannot be gainsaid. When this question was put to Sir Goronwy I agreed with the comment he made. I do not think it is possible to do anything else but have one man, one vote. I have experienced this situation as chairman of the Political Committee of the N.A.T.O. Parliamentarians' Conference where we had this weighted vote, and I can assure you there are very great difficulties in operating it.

108. You earlier said the problem of Wales today was that factories were put up where there were pressure groups. Is not the same thing going to occur again if the pressure group is in South Wales, if the predominance of members is in South Wales?—I do not deny that. Of course wherever you get democracy you get pressure groups.

109. How is the Mid-Wales desert to be better off?—Because it would be government policy to ensure that Wales as a whole shares in the prosperity of the country. I do not think you can do this by weighting votes in some curious way, so that somebody who comes from Merioneth has five times the vote of somebody from Penarth. You have to do it as one man, one

vote. And when you get these arguments, wherever parliament is—I imagine it will be in Cardiff in the first instance—you will have radio, press and television listening, it will be put out on television that night, and the public as a whole will say, "We cannot stand for this. We want to develop central Wales. We desire that the whole of Wales should be developed."

110. You do not regard the fact that under your Bill there would be no Minister from Wales in the United Kingdom Cabinet as being to the disadvantage of Wales?—No, I do not. I think now of course it is very essential to have a Secretary of State in the Cabinet, but I think that once we have a government in Wales, then as one of the Northern Ireland Prime Ministers said, "When I come over I talk with the Prime Minister at No. 10."

111. Your opponents in the House of Lords said this Bill would weaken the structure of local government. What do you say to that?—I think it would strengthen it.

112. Yet in Clause 17 you immediately take away Welsh Church funds from local government. That is taking powers away.—We did not take any powers away: we took the Welsh Church Acts Funds away. I do not know why this fund was ever given to local government. It is a most inappropriate fund for them to have.

113. Could you tell me why you feel this is inappropriate to them?—Because I think myself that a central body in government would be in a much better position to give the proceeds of the fund where they ought to go, that is to ancient monuments, to culture, to the arts, rather than leaving it in the hands of local authorities.

114. Does not this go against the concept of your Bill? I thought its purpose was to see that people were more in touch with local matters. The county council know their county and who is deserving of help, while a central body would be remote.—County councils are going to be pretty far away if the proposed structure of six counties comes in. Under Liberal

proposals there would be single purpose authorities, not these mammoth county councils which are now proposed by the Labour Government. I remember the tremendous battle in Wales over the Welsh Church Acts Fund when it was set up. I can assure you that farmers never thought, when they were told that tithes would no longer be paid to the church, that they would be paid to the county council; I would have much preferred that they were paid to the church than to the county council, and I would now still more prefer that they were paid to a Welsh government which could administer them for general cultural purposes. I do not think this derogates from the principle of the Bill. How can one say it is in the power of the county council to deal with charitable gifts given to the church, mainly the Roman Catholic Church at that!

115. I understand you to attach very great importance to small things of this nature?—I do not stand on this one. If it were shown that Welsh people were unhappy about it, I would waive this provision.

116. DR. HUNT: I would like to ask one question which arose out of your discussion with Sir Ben. It seems to me you raised a new constitutional difficulty by your suggestion that Welsh Members in Parliament at Westminster would not vote on predominantly English questions. Presumably the same would apply to Scottish Members, and if we move in that direction, to Irish Members. That might well mean that if you subtract the votes of the Welsh, Scottish, and Northern Ireland Members, the United Kingdom Government might well have lost its majority in the House on English matters. What would happen then?—They would find themselves in a difficulty.

117. CHAIRMAN: Thank you. I think that is perhaps a convenient point to adjourn. We are most grateful to you, Lord Ogmore, for being willing to come here and to submit to such a lengthy inquisition.—I am grateful to you, my Lord Chairman, and to your colleagues.

(The witness withdrew)

MINUTES OF EVIDENCE

TAKEN BEFORE THE

COMMISSION ON THE CONSTITUTION

Sitting in Cardiff on Tuesday, 16th September, 1969

Present:

THE LORD CROWTHER (*Chairman*)

THE HON. LORD KILBRANDON

MR. A. TALFAN DAVIES, Q.C.

PROFESSOR F. H. NEWARK, C.B.E.

THE LORD FOOT

SIR JAMES STEEL, C.B.E., D.L., J.P.

THE RT. HON. DOUGLAS HOUGHTON, C.H., M.P. SIR BEN BOWEN THOMAS

DR. N. C. HUNT

MRS. M. S. TREMAN

Assistant Commissioners

MR. K. J. GRIFFIN

MR. T. M. HAYDN REES, D.L.

PROFESSOR G. LLOYD REES

MR. R. J. GUPPY, C.B. (*Secretary*)

MR. D. MORGAN (*Assistant Secretary*)

Witnesses

MR. GWYNFOR EVANS, M.P.

MR. DEWI W. POWELL

MR. CHRIS REES

MR. DAFYDD WIGLEY

DR. PHIL WILLIAMS

on behalf of Plaid Cymru

MR. GWILYM PRYS DAVIES

MEMORANDUM SUBMITTED BY PLAID CYMRU

1. The purpose of Political Nationalism in Wales.
Mr. Gwynfor Evans, M.P.
2. The Nationality of Wales
Mr. Chris Rees.
3. Economic Arguments for Self-Government.
Dr. Phil Williams.
4. The Constitution of a Self-Governing Wales.
Mr. Dewi Watcyn Powell.
5. Financial and Economic Relationship between the
Self-Governing Countries.
Mr. Dafydd Wigley.

The purpose of Political Nationalism in Wales

The purpose which inspires political nationalism in Wales is to create the conditions in which the people of Wales can live their lives most fully. This involves the development of the moral and material resources of the Welsh nation.

The human person is a social creature who is made largely what he is by his society, its character, traditions and values. In our view the national community—and the nation is a community—is of immense importance to the individual welfare of its members (and also, through its distinctive contribution to civilisation, of significant value outside its borders). Perhaps its main function is to transmit the values embodied in the national tradition. The development of this tradition should be a dominant social objective and should be an integral part of any concept of social justice for the people of Wales.

Both the cultural and the physical needs of the people must be satisfied if they are to realise as fully as possible their personal potential. This has not been done by the British Government, whose failures have been abysmal. Government attitude towards the Welsh language and its continuous recession is a massive illustration of its failure. Language is far more than a means of communicating ideas and feelings; it is in Wales the vehicle of a rich culture and it gives the people of today roots in the history of scores of generations. Nothing is more important to the intellectual and spiritual welfare of our people than to put them once again in possession of the Welsh language. Government should not be deterred by the financial cost from repairing the terrible injury which acts and policies of state have done to this greatest of Welsh traditions. The Act of Union, which incorporated Wales in England in 1536 contained severe penal provisions against the Welsh language, and in the succeeding centuries Welsh-speaking Welshmen have been treated as second-class citizens. English has been throughout this period the only official language in Wales, and the national language of Wales has been excluded from official and legal life. Most injurious of all, the state system of education imposed on Wales in 1870 was viciously anti-Welsh, and in all parts of Welsh-speaking Wales children were punished if they spoke Welsh during school hours.

We have the right to expect the state to act with far greater vigour in succouring and raising the status of the national language. Although compulsion against the will of the people would be neither effective nor right in restoring it, and although discrimination against monoglots must be rigorously avoided, we would expect the people of Wales to be given the opportunity to become completely bilingual within, say, 30 years of the inauguration of the Welsh state.

London Government failure is far from being confined to the field of language and culture. The long and bitter history of unemployment, migration and depopulation indicates the extent of its failure in administering the economy of this rich and talented country. Its lamentable record is illuminated by a comparison between Wales this century, and any one of the five Scandinavian countries.

No British Government has ever thought it necessary to attempt to create the conditions of a full national life in Wales. On the contrary, each has in its own way obstructed this development, and each has been content with Wales' inability to act as a nation despite the obvious and continuing erosion of her pattern of life. Wales will live as a nation when, and only when, the Welsh people are able to create for themselves the conditions of their life. They must have, if Wales is to have a national future, the greatest possible power of decision and of action in their nation's affairs. A status of national freedom alone will give them this power. The need is not for independence nor for absolute sovereignty, but for that measure of freedom which will enable the nation to live her own life. The conditions are fulfilled by Commonwealth Status. Self-Government is more than the nation's moral right: it is the necessary condition of Welsh national survival.

But the Welsh nation does not exist in a vacuum. Her economy is integrated with that of England, and there are close personal ties between many persons in Wales and many persons in England. These facts must be recognised when the relations between the two countries are reconstituted. In addition the life of Wales, in common with all other countries, is greatly affected by events in many parts of the world. Wales, therefore, has a need and an obligation to play her part in creating a just and peaceful world order. Both duty and self-interest dictate that she should take her place in the councils of the world.

The future that we envisage for the peoples of these islands is a partnership of free and equal nations in no way subordinate one to the other in any aspect of their domestic or external affairs, but freely associating inside the Commonwealth of Nations as members of what could be called The Britannic Confederation.

GWYNFOR EVANS

The Nationality of Wales

Wales has been recognised as a distinct territory since earliest times. Although obvious internal differences exist, the land of Wales presents many common features of climate, geography and geology, quite apart from language and history, which distinguish it from the rest of the island called Great Britain.

Even the Act of Union which annexed it to the realm of England gave recognition, by implication, to the uniqueness and separateness of this western peninsula.

An awareness of their own separate identity has always formed an important part of the outlook of the people inhabiting Wales, expressed not only in literature, in the Welsh language and the vernacular press, but in the writings of those authors who use English.

The separate identity of Wales has increasingly found expression in series of social institutions, some cultural but many administrative and political, culminating in the establishment of the Welsh Office with its embryonic Welsh civil service. Thus is accorded to Wales a status far above that of a mere region. If Wales is not a nation she deserves none of these institutions. If she is a nation she cannot be expected to be satisfied with these alone.

Evidence of the existence of a separate community of thought in Wales can be discovered in the need the Government apparently feels to be advised and informed separately on conditions and opinions in Wales. Hence the proliferation in Wales of bodies with advisory functions, some such as the Council for Wales with no equivalents elsewhere in the United Kingdom. In many cases, however, their advice is ignored because no machinery exists to implement it. Our present system of government recognises the existence of separate Welsh problems but rules out separate Welsh solutions.

Self-government for Wales has been a political issue since the dawn of democratic government in 1868. Those parties which have dominated the Welsh scene have included it in their programme. The Liberal Party has never abandoned it and while the Labour Party finally discarded it, it was an integral part of Labour Propaganda as late as 1945 in many areas. Several Labour M.P.s who sit in the Commons today and certain members of the present Government were active supporters of the Parliament for Wales campaign in the 1950s which collected over 250,000 signatures. A prominent Parliamentarian, later to become a Labour M.P.—Lady Megan Lloyd George—was the President of the movement.

Great Britain is the largest unitary state in Europe. There are few larger in the world. Our familiarity with the British system can blind us to the fact that to govern so many people by one legislature is very much the exception rather than the rule. The tendency in the twentieth century has been for sovereign states to proliferate, for colonies to gain independence, for minorities to become emancipated. Countries which could claim no separate existence since the Middle ages have become modern prosperous and progressive states, e.g. Norway and Iceland. The end of the second world war saw the re-establishment of a federal system in Western Germany and in Italy there has been increasing emphasis on internal devolution. Year by year the membership of the United Nations increases. Many of the new states are not only tiny but economically backward. Yet their eligibility for membership is uncontested.

When the first census was taken, Great Britain had a population of some 12 million. Today it is over 50 million. Its highly centralised unitary system of government has remained the same taking no account of two radical developments: (a) the growth of population; (b) the growth of government. Government today intrudes into most spheres of public life and yet it tends to become more remote and less democratic. The degree of involvement of the private citizen and the accountability of the public servant both tend to diminish. In local affairs more and more functions pass out of the hands of elected representatives. To reduce the ratio of governed to governor it is imperative to bring control closer to the people.

It is only in exceptional circumstances that the people of Wales obtain the government of their choice. The tradition in Wales is to support overwhelmingly parties of a Radical outlook. Yet in this present century it has only been on three occasions that a non-Tory Government has obtained a working majority at Westminster. To ensure a government that reflects their own preferences the people of Wales require a government of their own.

The post-war period has been characterised by the growth of special provision for Wales in institutions of government. Beginning with the Welsh Day in the Commons, continuing through the establishment of the Minister for Welsh Affairs and the Grand Committee to the creation of the Welsh Office with its Welsh Civil Service embryo there has been a definite perceptible movement towards national recognition. They have reflected but not kept pace with a growth of national feeling and self awareness. Their insufficiency is highlighted by the increasing strength of Plaid Cymru whose growth they have proved powerless to prevent or arrest.

CHRIS REES

Economic Arguments for Welsh Self-government

To support the political and historic arguments for an immediate transfer of Government control from London to Wales, evidence will be presented to show that the economic and social potential of Wales has never been developed as it might have been under a Welsh Government.

This evidence will start with an analysis of the economic potential of Wales. The wide range of raw materials and primary manufactured products available in Wales will be listed and the total output in each case will be compared with the total output in the United Kingdom to illustrate the basic strength of the Welsh economy; attention will be given to the increasing importance of Welsh water resources, and to the suitability of Wales for the siting of major electricity generating stations. The strategic importance of the deep-water ports along the coastline, and the accessibility of the large consuming markets will also be outlined.

This analysis will then be compared with the continuing failure of the present system of Government to develop this potential and provide full and progressive employment for the people of Wales. This failure will be clear from the record of low activity rate, high registered unemployment and selective migration that has been a feature of Welsh life over the past 50 years.

The contrast of potential and performance is marked; the evidence presented will suggest that the present system of Government is largely responsible. We will discuss a list of decisions made by—or encouraged by—a London Government that have proved irrelevant or unsuitable to the economic and social needs of Wales. Among other examples we will discuss the following decisions taken recently: the priority given to the Severn Bridge rather than the Cardiff-Merthyr dual-carriageway; the priority given to feasibility studies of the Dee barrage rather than similar studies of the Dyfi, Mawddach or Conwy barrages; the haphazard and short-sighted development of water resources; the establishment of the Rural Development Board in its proposed form; the imposition of Selective Employment Tax in rural areas heavily dependent on service industries; the un-coordinated run-down of the Welsh railway system; the pressure to develop academic education at the expense of technical education.

To balance this evidence we will present a list of measures that would have stimulated the economic development of Wales and that surely would have been carried out or encouraged by a Welsh Government. Above all we will consider the possible development of industrial amenities at a limited number of growth centres linked by a network of modern roads, and served by training and retraining facilities to match the anticipated demand.

Our economic arguments for self-government will conclude with a detailed comparison of the development of Wales with the development of other European countries similar in size: special care will be taken to analyse the level of unemployment and gross national product in each case.

PHIL WILLIAMS

The Constitution of a Self-Governing Wales

Having regard to what has been set out above, it follows that for the life and livelihood of the people of Wales to be adequately protected and furthered, there must be established a Welsh State endowed with all the powers of a modern state. This is no more than is recognised as being generally necessary for the well-being of any nation. It is a status well established in the Commonwealth as well as in the world at large.

This involves the ultimate transfer of the whole range of government to the new State, the establishment of a democratic Welsh Parliament to which the Ministers in charge of each department of government will be responsible and the establishment for Wales of its own judiciary and Courts of Justice. It also follows that the assets, liabilities and functions of state enterprises in Wales will be transferred to the appropriate authorities in Wales.

The net result will be that the powers now exercised by the U.K. Parliament in relation to Wales will be transferred to the Parliament of Wales and the functions now exercised by the U.K. government in Wales will be exercised by the government of Wales.

The instrument of transfer will be an Act of the U.K. Parliament. We regard the full recognition of Welsh nationality by the U.K. government whatever its political complexion, and a willingness on its part to give full effect to the wishes of the Welsh people as expressed through the majority of M.P.'s returned by the Welsh constituencies, on the one hand, and responsible constitutional action by our own people, on the other, as necessary prerequisites to a smooth transfer of power and as the basis of a free and harmonious partnership between Wales and England.

We envisage parallel constitutional developments for Scotland.

The partnership, in economic and social terms, will be embodied in a Common Market between these countries and there will be freedom of movement of persons, capital and goods between them. There will be no customs or passport formalities as between the countries concerned.

Co-operation between the countries of the Britannic Common Market will be achieved through a commission set up by the Act establishing the Welsh State. It will consist of experts appointed by each of the countries to represent the interests of their respective governments. Their function will be to advise the governments concerned of the measures necessary in matters of tariffs, monetary and fiscal policy and the social services so as to preserve the free movement of persons, capital and goods. They will aim at unanimity so that in practice the advice given by the Common Market Commission will be accepted by their governments. In the last resort, however, the responsibility of accepting the advice tendered must remain with the Parliaments concerned so as to preserve the principle of full ministerial responsibility.

A Joint Exchequer Board will be set up to decide on an equitable allocation of the liabilities of the respective countries for the National Debt.

The Joint Exchequer Board will also deal with the allocation of import duties between each country and so will make suitable arrangements so as to avoid double taxation. The allocation will, in appropriate cases, be decided in accordance with the prescribed formulae.

To ensure a smoothly working and viable Welsh State, the transfer of functions will have to be phased. Many government departments will already have been transferred to the Secretary of State for Wales or may have quasi-independent status as Welsh departments; we regard the expansion of the Welsh Office and the building up of a Welsh Civil Service as vital. Other departments, such as those dealing with foreign trade, monetary and fiscal matters (but not necessarily the departments concerned with the collection of revenue) and defence must form an integral part of the U.K. service until the Welsh State comes into being. To ensure that these departments are also transferred smoothly and to enable them to function efficiently, there should be an interim period of up to 12 months between the passing of the Act and the setting up of the Welsh State during which Preparatory Commissions would be established. Their function would be to build up a cadre of staff and experts and to acquire the data necessary to enable the departments to be run efficiently and effectively from the moment the Welsh State is established. These Preparatory Commissions would in effect be "shadow" departments dealing with such matters as foreign trade, certain aspects of monetary and fiscal policy and defence.

Wales would be a member of the Commonwealth and would preserve its link with the Commonwealth through the crown. We envisage close consultation with our near neighbours and that Wales should join such international bodies as the United Nations, the I.L.O., the World Health Organisation and U.N.E.S.C.O.

DEWI WATCYN POWELL

Financial and Economic Relationship between the Self-Governing Countries

Professor Brinley Thomas has shown that up to the First World War at least the Welsh economy differed not only in content to the English economy but that it was also out of phase with its English counterpart. Factors already mentioned above underline that there remain today great differences between the Welsh economy and the mainstream of the English economy, and that these differing circumstances require at the very least different tactics if not different strategy.

We believe that politically and socially there exist considerable disadvantages of large scale in the present over-centralised system of administration of Britain. These result inter alia in a general distrust of distant faceless governments. We believe that it is possible to bring government much nearer the people without losing the advantages of being part of a large market area.

The proposed Common Market for these countries recognises both the economic advantages of scale pertaining to larger units, and also the reality that the Welsh and English economies are in many aspects mutually dependent.

This is different only in degree from saying that the U.K. and American economies are mutually dependent. Such dependence does not imply political integration, nor should it. Many who advocate Britain's participation in a European Common Market shudder at the thought of a monolithic European political entity.

The proposals put forward here do not imply any deliberate disharmonisation of the economies of the self-governing countries of these islands. They do however recognise that if the Welsh economy is to be nurtured in the manner necessary to stimulate self-regenerative economic growth, the deliberate and sustained attention of an interested government is essential. However well-meaning a London government might be, and whatever its financial resources, it cannot give to Wales the unqualified commitment to solve Welsh problems above all others; nor can it concentrate on these problems the necessary resources of time and energy.

At certain points in time, the Welsh and English economies may require different pressures; one may require deflation, the other may not. In proposing a Common Market, we accept the limitations that this places on a Welsh government's freedom of manoeuvre. To regulate the Welsh economy, however, in such a Common Market, nothing less than full control of the budgetary resources of Wales will be required by the Welsh government. The ability to control government expenditure in Wales will largely offset the restrictions on economic freedom of action imposed by the Common Market.

The case for the Welsh government having full control of public expenditure does not depend, however, purely on the need for economic regulators. The priorities in public expenditure of a Welsh government may well be quite different to those of an English government; indeed, in light of the radically different political traditions of the two countries, it would be strange if their priorities coincided.

Analysis of the taxation revenue currently raised from Wales and of central Government expenditure in Wales confirms that a Welsh government could maintain the present level of services, grants, and subsidies without increased taxation. Furthermore, given certain assumptions concerning the defence expenditure policy of the self-governing Wales, present taxation levels would not only accommodate the necessary overhead expenditure of establishing and supporting a Welsh government and civil service, but would also provide for a somewhat larger expenditure on developing the economy of Wales. A Welsh government would concentrate any such resources on increasing levels of employment by developing communications and the industrial infrastructure in a coherent economic plan. This would aim at reducing unemployment, halting net migration and the most detrimental aspects of selective migration, increasing activity rates, and replacing redundant jobs in declining industries with new opportunities in growth industries. Success in such plans would generate higher government income at fixed taxation levels, and would facilitate greater advances in social as well as economic fields.

These proposals—as is already implied in previous paragraphs—bear no element whatever of restrictionism. A free movement of goods, capital, and people is proposed, and the Welsh government would in all probability actively seek to attract capital and enterprise from over the World to Wales.

The “nationalism” that these policies represent is no introspective backward-looking philosophy. It merely represents the determination of Wales to move forward by her own efforts.

DAFYDD WIGLEY

ANNEX A

INSTITUTIONS ACCORDING RECOGNITION TO THE DISTINCT POSITION OF WALES AS A NATIONAL ENTITY

Welsh Office

Ministry of Agriculture, Welsh Department
Department of Education and Science,
Education Office for Wales
Board of Trade: Controller for Wales
Ministry of Labour: Controller for Wales
Ministry of Pensions and National
Insurance: Controller for Wales
Ministry of Public Buildings and Works:
Director for Wales
Home Office: Director of Civil Defence
for Wales
Ministry of Transport: Traffic Commis-
sioner for Wales
Forestry Commission: Director of
Forestry for Wales
National Savings Committee:
Commissioner for Wales
Post Office: Welsh Regional Stamps
Welsh Tourist Board
Welsh Arts Council
National Assistance Board for Wales
Welsh Board for Industry
Welsh Board of Health
Welsh Hospital Board
Wales Gas Board
Welsh Industrial Estates Corporation
Welsh Sports Council
Civic Trust for Wales
Rent Assessment Panel for Wales
Race Relations Committee for Wales
Annual Report on Government Action
in Wales
Annual Digest of Welsh Statistics

Parliamentary

Annual Debate on Welsh Affairs
Welsh Grand Committee

Advisory Bodies

Wales Gas Consultative Committee
Central Council on Education (Wales)
Transport Users Consultative Committee
for Wales and Monmouthshire
Welsh Advisory Council on Civil
Aviation
Council of Social Services for Wales and
Monmouthshire
Council of Wales

N.B. Ecclesiastically and in most forms of international sport Wales is entirely auton-
omous.

Bodies concerned with culture and education

BBC Wales
National Library of Wales
National Museum of Wales
Welsh Folk Museum
Welsh National Youth Orchestra
Welsh National Opera Company
Welsh Theatre Company
Royal National Eisteddfod of Wales
Royal Welsh Agricultural Society
University of Wales
Christian Education Movement for Wales
Welsh League of Youth (Urdd
Gobaith Cymru)

Industrial

Confederation of British Industry:
Welsh Region
Industrial Association of Wales and
Monmouthshire
Development Corporation for Wales
Welsh Town Planning and Housing
Trust Ltd.

Local Government

Welsh Joint Education Committee
Consortium of Local Authorities
Wales (C.L.A.W.)

Professional

Farmers Union of Wales
National Association of the Teachers of
Wales (Undeb Cenedlaethol Athrawon
Cymru)

Political

Plaid Cymru
Welsh Liberal Party

Miscellaneous

Welsh Hospital and Health Services
Association
Federation of Young Farmers Clubs,
Wales
United Nations Association: Welsh
National Council
National Old Age Pensioners Association
for Wales
Welsh Association of Youth Clubs

ANNEX B

COUNTRIES LISTED IN THE UNITED NATIONS DEMOGRAPHIC YEAR BOOK 1967 AS 'SOVEREIGN STATES' WITH POPULATIONS SMALLER THAN OR EQUIVALENT TO WALES

Botswana	Trinidad and Tobago
Central African Republic	Guyana
Congo (Brazaville)	Paraguay
Dahomey	Uruguay
Gabon	Bahrein
Gambia	Cyprus
Ivory Coast	Jordan
Lesotho	Kuwait
Liberia	Maldives Islands
Libya	Mongolia
Mauritania	Sikkim
Niger	Singapore
Rwanda	Albania
Sierra Leone	Andorra
Togo	Iceland
Barbados	Lichtenstein
Costa Rica	Luxembourg
El Salvador	Malta
Honduras	Monaco
Jamaica	San Marino
Nicaragua	New Zealand
Panama	Western Samoa

Of these, 33 are members of the United Nations

35 of the States comprising the United States of America have populations of under 3½ million. This is true also of 6 of the lander in the Federal German Republic (out of a total of 11).

1.1 Basic resources

Wales can provide almost all the basic materials needed by modern manufacturing industries. Coal; oil products, plastics and other petro-chemicals; iron, steel, and tin plate; a wide range of non-ferrous metals including fabricated aluminium, zinc and nickel; quarried minerals; forestry products; synthetic fibres such as rayon and nylon . . . the list is a long one. An industrialist in Wales can usually find his raw materials close at hand.

Moreover, Wales can guarantee abundant water supplies. More and more industries require large quantities of water and depend on areas where water is plentiful and cheap. Wales is an ideal centre for such industries.

Finally, Wales has an excess capacity for generating electricity. This is no accident: with a large coal field, a major oil port, widespread hydro-electric resources and ideal coastal sites for nuclear power stations, Wales can guarantee an expanding supply of power.

In other words, in almost every category of raw material, Wales produces more per capita than the rest of the U.K. This is illustrated in Table 1 where output for 1966 is given. What was true in 1966 has been true for over a century: few nations have been as well endowed with resources; we would expect such a nation to be among the most prosperous.

TABLE 1

Wales has 4·9% of the population of the United Kingdom. In 1966, of total production in the U.K., Wales contributed:—

Coal	11%
Refined oil	27%
Steel	32%
Tinplate	100%
Fabricated Aluminium	26%
Quarried Minerals	7%
Forestry Products	11%
Water Supply	12%
Generated Electricity	8%

Sources: Digest of Welsh Statistics, 1967; H.M.S.O.
Annual Abstract of Statistics, 1967; H.M.S.O.

1.2 Strategic Situation

Wales is strategically situated for economic prosperity. To the west, Wales is served by deepwater ports, and the ability to handle ships of up to 200,000 tons provides us with a golden opportunity. In the past, oil has been the main cargo to exploit deepwater ports, and already Milford Haven has become the largest oil port in Britain. In the near future, it is certain that more and more cargoes will be carried in big ships, and it is essential that the deepwater facilities at Holyhead, Milford and Port Talbot should be developed to handle a wide range of imports and exports. In this way Wales could become an important distribution centre for the trade entering Europe from America and the Far East.

To the east, Wales is offered the markets of the Midlands and South-East of England—a population of over 40 million lying within 150 miles of the main centres of Welsh industry. This gives Wales a powerful advantage over Ireland, Scotland and the North-East of England.

I stress this point because Wales is often regarded as remote and inaccessible: this is the result of inadequate communications. With proper development of port facilities and a modern communication system, Wales would lie in the mainstream of European trade.

1.3 Human Resources

In addition to these advantages, Wales is rich in human and social resources. In a modern economic system, the most important inputs are the skills of highly educated people. For various historic reasons, the people of Wales have always placed high priority on education, and this tradition could equip Wales to face the challenge of a rapidly-changing world.

In 1966, for example, 11·7% of school leavers in Wales went to University or College of Education, while 10·1% followed some other course of full-time education. (In England, for comparison, the corresponding proportions were 8·4% and 9·2%.) This respect for higher education is especially marked in rural Wales: in my adopted county of Cardiganshire, for example, 43·6% of school leavers in 1967 were given awards for further education.

Such emphasis on education must be counted as a major asset in assessing the potential of Wales.

It would be reasonable to expect a nation with such advantages to enjoy continuing economic prosperity, providing full and progressive employment for all its people. It is seen that this is not the case. For fifty years, Wales has suffered from high unemployment, low activity rate and continuing migration of young people.

2.1 Unemployment

The best-known index of under-employment is the monthly figures of direct unemployment, published in the Employment and Productivity Gazette. These figures give the number of men and women actively looking for work and registered as unemployed.

Direct unemployment in Wales today must be considered in perspective: since the last war it has never approached the tragic proportions experienced in the 1930s. Nevertheless, if we trace registered unemployment over the past ten years we see that in Wales the level is always about double the level in England (Table 2A). This is true in boom or in recession.

Detailed analysis of direct unemployment shows that the real difference is even larger than suggested. Because of seasonal and frictional unemployment, it is argued that in Britain direct unemployment can never fall far below 1·0%. It follows that long-term unemployment is usually negligible in England as a whole, but in Wales it is a permanent problem. During 5 of the past 10 years the number of vacancies unfilled in England has in fact exceeded the number of unemployed. This has never been the case in Wales (Table 2b).

TABLE 2(A)
Percentage of direct unemployment

<i>Year</i>	<i>Wales</i>	<i>England</i>
1958	3·8	1·8
1959	3·8	1·8
1960	2·7	1·3
1961	2·6	1·3
1962	3·1	1·8
1963	3·6	2·2
1964	2·5	1·4
1965	2·6	1·2
1966	2·9	1·3
1967	4·1	2·2

TABLE 2(B)
Number of vacancies unfilled per 100 registered unemployed

<i>Year</i>	<i>Wales</i>	<i>England</i>
1958	20	53
1959	23	60
1960	44	113
1961	53	118
1962	28	55
1963	19	41
1964	39	106
1965	44	149
1966	39	126
1967	20	52

Source: Employment and Productivity Gazette.

2.2 Low Activity Rate

Direct unemployment is, however, only the tip of the iceberg. The true economic prosperity of a community is measured by the number of people actually in gainful employment, for they have to support the remainder of the population.

The official way of expressing the level of employment is the employee activity rate, i.e. the number of employees and registered unemployed as a percentage of the total population of *legal* working age (over 15 years of age). In Table 3(A) the employee activity rate is given for Wales and England over the period 1962-67. From this table we see:— employee activity rate is far lower in Wales than in England. To raise employee activity rate in Wales to the level in England would require an extra 90,000 jobs for men and 110,000 for women: the difference in employee activity rate between Wales and England is increasing rather than decreasing; in Table 3(B) we see employee activity rates analysed by age-group. It is clear that hidden unemployment is marked in every age-group.

The Government, in a series of Parliamentary Answers, have tried to explain the low activity rates by quoting four factors:—

- (a) high-proportion of self-employed persons in Wales;
- (b) high-proportion of retired people who come to Wales;
- (c) high-proportion of children staying on in school after the age of 15;
- (d) low activity rate "inevitable" in rural areas with their established patterns of life and transport difficulties.

In estimating the true level of hidden unemployment we have allowed for these factors. We have included the estimated numbers of employers and self-employed; we have based the activity rate on the home population of *normal* working age (15-64 for men; 15-59 for women); and we have corrected for the greater emphasis on higher education by assuming that the proportion of young people following advanced education was raised in England to the level in Wales.

With these adjustments we see that the true level of hidden unemployment in Wales is 20,000 men and 90,000 women.

Finally we carried out this analysis on a county-by-county basis, using the results of the 1966 census. In every county in Wales the total activity rate falls below the average for England. Surprisingly, the level of employment is as low in industrial counties as in rural counties.

TABLE 3(A)

Employee activity rate (in percent)

<i>Men</i>	<i>Wales</i>	<i>England</i>	<i>Difference</i>
1962	70·0	78·0	8·0
1963	69·8	77·8	8·0
1964	68·9	77·2	8·3
1965	68·4	77·3	8·9
1966	67·7	76·9	9·2
1967	66·2	75·6	9·4
<i>Women</i>			
1962	28·0	39·8	11·8
1963	28·3	39·8	11·5
1964	29·2	40·1	10·9
1965	30·0	40·5	10·5
1966	30·5	41·2	10·7
1967	29·7	40·6	10·9

TABLE 3(B)
Employee activity rates by age-group (1966) (in percent)

<i>Men</i>	<i>Wales</i>	<i>Britain</i>	<i>Difference</i>
15—24 years	71·2	78·4	7·2
25—44 years	78·6	87·2	8·6
45—64 years	78·0	85·7	7·7
Over 65 years	11·7	19·0	7·3
<i>Women</i>			
15—24 years	54·5	67·3	12·8
25—44 years	33·6	44·3	10·7
45—59 years	36·0	48·7	12·7
Over 60 years	6·2	10·4	4·2

Source : Department of Employment and Productivity.

2.3 Migration

An inevitable result of chronic under-employment is the emigration of young people in search of jobs. Massive emigration has been a tragic feature of Welsh life for 50 years.

Thus, between 1921 and 1967, the excess of births over deaths in Wales was 553,000; but over this period the total population increased by only 38,000 so that net emigration was 515,000 or 11,000 per annum. As a result Wales is one of the few nations in the world whose total population has remained static over the past fifty years. In 7 of the 13 counties the population has actually fallen over this period, leaving the acute social problems of depopulation.

The problem is more serious than suggested by these data alone. The 1966 Census demonstrated that the emigration of people of working age is far higher, but this is partly off-set in the net figures by an immigration of elderly people coming to Wales to retire.

The process is continuing. According to the Department of Employment and Productivity, the net emigration of employees from Wales to employment elsewhere in the U.K. was 11,000 in 1964/65 and 12,000 in 1965/66. Since then the Department have discontinued publishing the relevant statistics, but the continuing fall in total employment in Wales suggests that in subsequent years the rate of emigration of employees has increased.

Moreover, there is strong evidence that this emigration is selective, taking the most ambitious and highly educated young people who find no opportunities for progressive employment in Wales. It is well known that the net emigration of trained teachers from Wales is about 1,000 per annum—between 40 and 50 per cent of the total number of school leavers in Wales trained in Colleges of Education. A similar picture is seen in technological education. According to the report of the Central Advisory Council for Education (Wales) "Science in Education in Wales Today" out of 730 technologists trained in Wales each year, 530 must seek employment outside Wales.

3.1 Decisions given a wrong priority

(a) Priority of cash incentives to industry over road improvements.

To attract new industry into Wales, a range of cash incentives are offered to compensate industry for the disadvantages of operating in Wales. Over the past 4 years the total budget spent in this way has increased every year, but these incentives have had only limited success in attracting new industry and new employment to match the rundown of employment in existing industries (Table 4).

TABLE 4
Employees in employment in June of each year (in thousands)

<i>Year</i>	<i>Men</i>	<i>Women</i>
1964	672	305
1965	670	316
1966	664	322
1967	640	312
1968	629	320

As a result, a remarkable consensus of Welsh opinion, including Plaid Cymru, the Welsh Liberal Party, the Conservative Party, the Welsh C.B.I. and several county authorities have urged that at least some of this budget would have been better employed in removing the disadvantages; in particular, they have all proposed an increase in Central Government expenditure on roads in Wales.

Yet over the past 4 years, expenditure by the Central Government on roads, has in fact, been cut each year (Table 5) while in England, quite properly, it has increased steadily.

TABLE 5

Expenditure on roads by the Central Government

	1966-67	1967-68	1968-69	1969-70
Wales	£19.5 million	£16.1 million	£15.6 million	£15.2 million
England		£230 million	£251 million	£266 million

(b) Priority of the Severn Bridge over the Cardiff-Merthyr dual-carriageway.

Not only is the road programme inadequate, but even within this programme the priorities are wrong.

Six years ago, for example, there were two imaginative projects proposed to improve road communications, each costing between £10 million and £20 million: the Cardiff-Merthyr dual-carriageway and the Severn Bridge. Both in time would benefit Wales.

The case for the dual-carriageway was overwhelming and immediate: at the time the existing road was, perhaps, the most overcrowded in Wales. It served the Taff, Rhondda, Cynon and Taff Bargoed valleys and Merthyr itself. The road was therefore of direct economic consequence to a population of 320,000 in an area with a rapidly declining coal industry and a desperate need for new industry.

The case for the Severn Bridge was strong but not urgent. When—and only when—the M4 motorway was complete between South Wales and London would the bridge begin to benefit Wales. In the meantime it would handicap Wales by encouraging firms that had distribution centres or regional headquarters in Bristol and Cardiff to centralise in Bristol.

In fact, as we all know, the Severn Bridge was built, the immediate consequences were as predicted; the M4 is still incomplete. On the other hand, work has only just begun on the 1st stage of the new Cardiff-Merthyr road; and no timetable for the remaining stages has yet been confirmed.

(c) Priority of Dee barrage study.

Estuary barrages have been proposed for four sites in Wales: the mouths of the Dyfi, Mawddwch, Conwy and Dee.

In the cases of Dyfi, Mawddwch and Conwy, the benefits for Wales from such a barrage are clear. They would provide fresh-water reservoirs without flooding any useful land. They would maintain a constant water level in the estuary and hence allow improved yachting facilities. The distribution of water in each case would be conveniently associated with a pump-storage scheme. And in each case they would provide valuable road crossings of the estuary.

The effect of the Dee barrage on Wales is less certain. In the economic plan for the North-West of England published by the D.E.A. it is envisaged that "if a crossing could be built at a reasonable cost, it might be possible to carry out major new developments on the western side of the estuary which would initially depend on employment in Merseyside." In other words, Flintshire would become a dormitory suburb of Merseyside, and this poses real economic and social dangers, unless there is a strong policy of industrial development on the Welsh side to take full advantage of the opportunities offered by the crossing.

From a Welsh point of view, feasibility studies for Dyfi, Mawddwch and Conwy should have priority, but the Government have refused to provide the necessary budget. A full study of the Dee crossing is under way.

4.1 Decisions relevant to England

(a) Selective Employment Tax

When S.E.T. was introduced, it was designed to encourage a movement of labour from the service industries into the manufacturing industries. This may have been a sensible policy in the Midlands and South-East of England, where there is a large manufacturing sector and a chronic labour shortage. It was a disastrous policy for those areas in Wales with little or no manufacturing industry and a high level of unemployment and emigration.

(b) Agricultural Act, 1967.

The major portion of this act is concerned with the re-organisation of farms to eliminate the smaller unit and establish what are considered to be larger and more economic units. The Act defines a commercial holding as one with a minimum equivalent of 600 standard-man-days i.e. a farm which employs at least one full-time farm worker in addition to the farmer himself. This may define a sensible minimum for English farming, but in Wales the traditional unit has been the family farm with an equivalent of between 275 and 600 s.m.d. i.e. a farm worked by a farmer with part-time help from his family. 83 per cent of all Welsh holdings fall below the defined minimum.

The possible effect of this Act can be judged from the following analysis. At the moment there are about 45,000 holdings in Wales. If, however, all smaller farms were amalgamated into units of 600 s.m.d., there would then be only 21,000 separate holdings. If we assume 21,000 farmers or farm managers, they will need a force of between 25,000 and 30,000 regular farm workers to run these large holdings.

This figure should be compared with the present labour force of about 15,000 regular farm workers, which is diminishing by about 1,500 each year. Any attempt to establish a minimum size holding of 600 s.m.d. must assume that at least 10,000 self-employed farmers, at present farming a family farm, are prepared, or their sons are prepared, to give up that farm and become labourers on a larger holding. This, of course, would never happen and to that extent the Agricultural Act of 1967 is totally inapplicable to Wales.

MR. GWYNFOR EVANS, MR. CHRIS REES, DR. PHIL WILLIAMS MR. DEWI W. POWELL AND MR. DAFYDD WIGLEY, CALLED AND EXAMINED

118. CHAIRMAN: This morning we are taking evidence from the representatives of Plaid Cymru. Perhaps I may briefly explain the way in which we propose to proceed. Each of the representatives of Plaid Cymru will in turn make a brief original presentation. To begin with, Mr. Gwynfor Evans will make a general statement, and he will be followed by each of his colleagues in turn. I am not sure in which order they will proceed; perhaps Mr. Gwynfor Evans will tell us. It is their preference that these five statements should proceed one after the other, and should not be interrupted for questioning. The Commissioners are prepared to fit in with that wish. I am told that some part of some of the statements will be in Welsh. We have a translator, and I understand that the best method of doing that will be to translate sentence by sentence, if that would be agreeable to you.

119. MR. GWYNFOR EVANS: My Lord Chairman, we are very grateful indeed to you for allowing us this morning to appear before you in this first public session of the Commission. I think perhaps my first duty is to introduce to you the members of our group.

Mr. Dafydd Wigley is our Director of Research in Plaid Cymru; Dr. Phil Williams is our Vice President; Mr. Dewi Powell is the Chairman of our Constitutional Committee; and Mr. Chris Rees is Chairman of our Executive Committee.

We are grateful to you for allowing us each to speak before questions are asked. We thought this was a good way of proceeding because it will allow us to give the balance of our case. I hope you will find it advantageous; it will certainly be an advantage to us.

The order we will take will be the order you have in the summary of written evidence that we submitted to you. I will open, and then Mr. Chris Rees will follow me. Dr. Phil Williams will speak on the economic aspects of the case and then Mr. Powell will speak on the constitutional issue, and he will take a little more time than the others of us this morning. Finally Mr. Wigley will speak on the fiscal and financial aspects.

We are also obliged to you for providing a translation service. We had hoped to take advantage of this, but we understand there is no simultaneous translation system here, and therefore, this kind of system of translation will take a long time. What we propose therefore in order to save time, is that two of us, Mr. Rees and I, will give part of evidence in Welsh, and our other three colleagues will speak wholly in English.

Yr wyf am bwysleisio o'r dechrau nad yw cenedlaetholdeb Cymreig yn dechrau gyda'r genedl. Mae'n dechrau gyda'r person unigol, gyda phob un Cymro. Pwysigrwydd y genedl yw ei phwysigrwydd i'r bobl sy'n ei chyfansoddi. Ystyriwn y genedl fel cymdeithas—un arbennig o werthfawr. Rhaid imi bwysleisio mai cymdeithas yw'r genedl, ac y mae'n rhaid inni wahaniaethu rhwng cenedl a gwladwrieth.

Cydnabyddwyd dau wirionedd am ddyn ers pan osodwyd sciliau gwareiddiad Ewrop gan yr Iddewon a'r Groegiaid rhwng dwy a thair mil o flynyddoedd yn ôl. Un yw bod dyn yn greadur cymdeithasol, a'r llall yw ei fod yn ysbyrd yn ogystal â chorff. Cymerwn y gwirioneddau hyn o ddifrif mawr.

Creadur cymdeithasol yw dyn drwyddo draw. Fe'i gwêr i wêad patrwm ei gymdeithas, a'i gymdeithas a'i gwna yr hyn ydyw. Derbyniaf fel gwir fod gan ddyn wreiddiau y tu allan i'r gymdeithas ddynol hefyd, ond nid yw hyn yn lleihau pwysigrwydd ei gymdeithas, a dyna paham y mae rhaid inni ymboeni yngylch cymeriad cymdeithas.

Yr ydym am fod yn sicr fod pob dyn yn cael bwyd, cysgod, dillad digonol, ac yn y blaen, ond y mae'n rhaid hefyd iddo gael cyfle i fyw bywyd llawn fel bod dynol yn ei gymdeithas. Rhaid i ddynion gael gwaith, a rhaid iddynt gael y math iawn o waith. Dylent gael hyn yn eu cymdeithas genedlaethol, ac os yn bosibl, o fewn eu cymdogaeth hefyd. Mynnwn weld rhoddi gwreiddiau i ddynion yn nhraddodiadau a hanes eu gwlad a'u cymdeithas. Peth drwg

iawn yw diwreiddio cymdeithas; mae'n ei thro i yn rhywbeth arall; fe'i thry yn broletariat. 'Rŷm yn gorfol gwrthwynebu hyn, gwrthwynebu proletareiddio ein cymdeithas. Ein hawyd ni yw creu cymdeithas lley bydd poblyn mwynhau pethau'r ysbyrd yn llawn yn ogystal â daioni corfforol, cymdeithas a feithrina'r agwedd ysbyrdol neu ddiwylliannol ar fywyd. Dylid ymgorfior ein del frydau uchaf yn y fath gymdeithas.

(I want to stress right from the beginning that Welsh nationalism does not start with the nation. It starts with the individual person, with each one Welshman. The importance of the nation is its importance to the people who make up the nation. We look at the nation as a society, a very worthwhile and precious one. I must stress that the nation is a society, and we must distinguish between it and the state.

Two truths about the nature of man have been recognised since the foundations of European civilisation were laid by the Jews and Greeks between two and three thousand years ago. One is that man is a social creature, and the other that he is both spirit and body. We take these truths very seriously.

Man is a social being right from the start woven into the pattern of his society, and it is the society that makes him what he is. I accept the view that a person has got roots outside human society also, but this does not diminish the importance of society, and that is why we have to be concerned about the nature of society. We want to make sure that every person gets food, shelter, clothes, and so on, but they must have too the chance to live a full life in that society as human beings. Men must have work, and they must have the right sort of work. They should have that in their own national society, and if possible within their own neighbourhood too. We want to see people being given roots in the traditions and history of their country and in their society. The uprooting of society is a very evil thing; it turns it into something else; it makes it into a crowd; it turns it into a proletariat. That is what we are keen to oppose, the proletarianising of our people. We want to create a society where people would enjoy the things of the spirit to the full in every way, as well as physical benefits; a society that will nurture the spiritual or cultural aspects of life. Our best ideals must be incorporated in such a society.)

We believe that the immense value of the Welsh tradition lies here. It is a Christian and an intellectual tradition. I

think myself that where this tradition is strongest people tend to be most alive, both intellectually and spiritually. I think that the decay of this tradition impoverishes the life and diminishes the vitality of those who are born into it. The Welsh nation has no more important function than to transmit its national tradition—which is essentially a pattern of values—to the coming generations.

Another function which is of great importance is its contribution to civilisation. European civilisation exists certainly, but it exists in the national traditions of Europe; it has no existence apart from them.

For these reasons it was possible for a great French socialist, Jean Jaurès, one of the greatest, to say, "If you destroy the nation you will sink back into barbarism."

Yn awr, y rhan bwysicaf o'n traddodiad yw'r iaith Gymraeg. Mae gan iaith nerth mawr. Mae'n gyfrwng diwylliant, ond gall greu diwylliant. Credaf ein bod oll yn cytuno mai barbaraidd yw dinistrio adeiladau gwych. Gymaint yn waeth yw dinistrio iaith, ond wedi'r cyfan dyna fu awydd y rhai a reolodd ers canrif oedd. Deddf Addysg 1870 oedd eu heryfnyd grymusras. Bu ei effaith ar iaith a bywyd diwylliannol pobl Cymru yn drychnebus; ac at hyn niweidiodd eu hurddas a'u hunan-hyder.

Ymae'r gwrth-gyferbyniad rhwng Cymru a rhai o wledydd Llychlyn yn ystod y cenedlaethau diwethaf yn addysgiadol. Yn Nenmarc yn 1850, er enghraifft, y mae'n debyg fod cyfartaledd y bobl a siaradia Ddaneg yn llai na chyfartaledd y Cymry Cymraeg yng Nghymru. Genhedlaeth yn ddiweddarach yr oedd yn dal yn bosibl i wlad y ffin yn Sir Fflint gynhyrchu prif nafelydd Cymru, ac i Sir Fynwy gynhyrchu bardd Cymraeg mwyaf y bedwaredd ganrif ar bymtheg. Ond tra bo Denmarc heddiw yn gwbl Ddaneg ei hiaith, a thr a bo'i holl fywyd cyhoeddus a swyddogol yn yr iaith Ddaneg, yng Nghymru ni all ond chwarter y bobl siarad Cymraeg, ac yn Saesneg y mae bywyd cyhoeddus a swyddogol y wlad.

(Now the most important tradition in Wales is our language. Language has a great deal of power. It is a medium of culture, but it can also create a culture. I think we all agree that it is barbaric to destroy fine buildings. How much worse to destroy a language.

But after all, that has been the wish of the people who have been ruling us for centuries. The Education Act 1870 was their most powerful weapon. Its effect upon the language and cultural life of the

Welsh people has been calamitous, and in addition it has injured their dignity and self-confidence.

The contrast between the history of Wales in recent generations and that of some of the Scandinavian countries is instructive. In Denmark, for instance, in 1850 the proportion of Danish-speaking people was probably lower than the proportion of Welsh-speaking people in Wales. A generation later it was still possible for the borderland in Flintshire to produce Wales' premier novelist, and for Monmouthshire to produce the greatest Welsh poet of the 19th Century. But whereas Denmark today is wholly Danish speaking, and whereas all its public and official life is carried on in the Danish language, in Wales only a quarter of the people are Welsh-speaking, and the public and official life of the country is carried on in English.)

I think the contrast between Wales and Denmark is equally striking in the field of economics. Although Denmark is extremely poor in natural resources in comparison with Wales, yet it has succeeded in industrialising itself, and in ensuring a balanced development of almost the whole of the country, succeeded in building fine roads throughout the land, and in electrifying hundreds of miles of railways. Its population has since 1914 almost doubled whereas the population of Wales has remained almost stationary. Despite this the Danish people have a higher gross national product per capita than have the people of Britain.

Pe bai gan Gymru ryddid cenedlaethol, nid oes rheswm i gredu na wnai Cymru, gydag adnoddau rhagorach na Denmarc, o leiaf cystal. Byddwn yn tystio mai safle'r Gymanwlad sy'n angenreheidiol yn amgylchiadau Cymru. Ymrthodwn â fderaliaeth fel trefn annigonol. Byddai'r safle a gyrchwn yn rhoi i Gymru gyfle i chwarae rhan gyflawn yng nghynghorau'r byd.

(If Wales had national freedom there is no reason to believe that Wales, with better resources than Denmark, would not have done at least as well.

We will testify that what the circumstances of Wales demand is Commonwealth status. We turn down federalism as not enough. The status which we look for would give Wales a chance to play a full part in the councils of the world.)

We recognise the very close bonds which exist between us and England, and we propose that the common market which exists between us today should continue.

If our policy is implemented there would be no military frontier, no tariffs or tolls, no passports. There would be freedom of movement for people and for goods and capital, equal with that of today. There would be a common council, comparable with the Nordic Council, supervising the relations between our countries. There would be established between our nations a partnership, but of free and equal nations in no way subordinate one to the other in any aspect of their domestic or external affairs, free and equal nations working together very closely inside the Commonwealth, and inside what I think might be called a Britannic Confederation.—

CHAIRMAN: Thank you.

120. MR. CHRIS REES: Craidd fy nhystiolaeth yw bod Cymru'n genedl ar wahân. Mentraf ddweud bod y ffait sylfaenol hon eisoes wedi'i chydnabod gan y Llywodraeth yn amodau gweithredu'r Comisiwn hwn sydd yn cyfeirio at amrywiol 'wledydd, cenhedleodd a rhanbarthau' y Deyrnas Unedig. Dyma gyhoeddïi'n gwbl ddiwmwys nad un genedl mo drigolion yr ynys hon, carreg filtert dra phwysig yn natblygiad y meddwl gwleidyddol yn Lloegr y bydd iddi ganlyniadau hanesyddol beth bynnag y bydd dyfarniad terfynol y Comisiwn.

Ceisiaf ym mharagraff 5 ddangos bod arwahanwydd y genedl hon yn cael ei adlewyrchu mewn nifer sylweddol o sefydlidiadau gweinyddol a chyriff ymgynghorol nad oes dim byd tebyg iddynt mewn unrhyw ardal neu ranbarth o Loegr. Mae gennyl restr i'w chyflwyno i sylw'r Comisiwn (Atodiad A). Nid teimlad yn unig yw cenedligrwydd Cymru. Nid cymdeithasau gwladarol me'r rhain ond cyrff ag iddynt swyddogaeth ymarferol bob dydd. Mae'r rhestr, wrth reswm, ymhell o fod yn gyflawn. Lawn mor arwyddocaol â'r rhai sydd ynddi yw'r rhai nad oes cyfeiriad atynt.

Nid oes sôn, er enghraift, am fydd y mabolgampau. Yn y rhan fwyaf o chwaraeon rhwngwladol statws gwbl gydradd â gweledydd annibynnol y byd yw statws Cymru. Yng Nghwpan y Byd mae'n ymryson â thimau Rwsia a Dwyrain yr Almaen. Nid wyl wedi cynnwys chwaith yr enwadau crefyddol na sefyldiadau y mae a wnelont â'r iaith Gymraeg.

Adlewyrchiad o fodolaeth cenedl yw'r sefyldiadau hyn. Ond wrth gydnabod fodolaeth cenedl down wyneb yn wyneb â chwestiwn statws cenedl. Ffolineb yw disgwyl i unrhyw cenedl dderbyn yn derfynol statws sydd yn israddol i statws gyflawn cenedl annibynnol. Nid yw ym-drechion yr hen drefedigaethau i ymryddhau

o afael y gwladwriaethau Ewropeaidd sydd wedi eu rheoli yn achosi syndod i neb. Mae pawb yn deall y sefyllfa'n dda. Yr wyf wedi pwysleisio mai cenedligrwydd Cymru sy'n esbonio sefydlur' Comisiwn hwn. Wn i ddim faint o gydnabyddiaeth yr ydych yn ei derbyn am eich llafur ond i fodolaeth y cenedl Gymreig y mae'r diolch am yr help ariannol y byddwch yn ei gael i gadw'ch cyrff a'ch enedlau ynghyd heddiw. Y cwestiwn y mae'n rhaid ei ateb yw hwn: a ydyw Cymru'n haeddu statws gyflawn cenedl? Os negyddol yw'r ateb y mae gennym ni' hawl i wybod pam. Cwestiwn arall wrth gwrs yw a yw Cymru'n aeddfed i hunanlywodraeth. Bobethi'n fawr y bydd ichi eu trafod a'u hateb ar wahân gan osgoi'n llwyr pob temtasiwn i'w cymysgu.

(The main theme of my evidence is that Wales is a separate nation. I venture to demonstrate that this basic fact has already received unequivocal recognition in the terms of reference of this Commission with their mention of the various 'countries, nations and regions' of the United Kingdom. This is a final admission that the inhabitants of this island do not form one single nation and as such is a milestone in the development of English political thought which will have important historical repercussions, whatever the verdict of the Commission may be.

I attempt in paragraph 5 to show that separateness of Wales is also reflected in a substantial number of administrative institutions and advisory bodies unparalleled in any district or region of England. I have submitted a list for the attention of the Commission (Annex A). The nationality of Wales is not a matter of sentiment alone. These are not patriotic societies but bodies with a practical day to day function to perform. Naturally the list is far from complete. Quite as significant as the inclusions are some of the more obvious omissions.

I have for instance, not made any reference to bodies concerned with sport. In most international sports Wales already occupies the position of being fully equal to the independent nations of the world. We compete in the World Cup and that alongside countries such as the U.S.S.R. and East Germany. I have not included either all those various bodies which are concerned with fostering the Welsh language nor the religious denominations which make distinctions between Wales and England.

These institutions reflect the existence of a nation. If we recognise the existence of a nation we are immediately confronted by

the question of national status. It is foolish to expect any nation permanently to accept a status inferior to that of full control over its own affairs. The former colonies' endeavouring to free themselves from the domination of their European masters came as a surprise to no one. The situation is well understood. I have emphasised that Welsh nationhood explains the establishing of this Commission. I do not know what sort of remuneration you will be receiving for your services today but it is to the existence of a distinct Welsh nation that your thanks will be due for any assistance in keeping body and soul together that you may obtain today. The question you must answer is whether Wales is entitled to full national recognition. I suggest that you will find it very difficult to answer this question in the negative. If you do, we shall all want to know why. Whether Wales is suitable for self-government is another question altogether. I hope you will consider and answer these questions separately, scrupulously avoiding the ever-present temptation to confuse them.)

I would now like to make a few remarks in support of the submissions made, but first I feel impelled to remark on the slowness of the translation system that is operating today. Might I suggest that in future there might be considered the installation of simultaneous translation?

121. CHAIRMAN I hope that burst of applause is not to be taken as any derogation of the efforts made by our interpreter, who was called on at very short notice to assist us. For myself I feel very grateful for what he has done.

MR. CHRIS REES: Might I suggest, my Lord, that preparations should have been made long beforehand.

122. CHAIRMAN: If we are going to argue about this, I should say that we had been given to understand until yesterday that your representatives would address us in English.

MR. CHRIS REES: In paragraph 5 of my evidence, I have dealt with the numerous advisory bodies which exist in Wales. These bodies perform valuable work, and we are very indebted to them for the mass of facts produced in response to their enquiries. But it is often the case that their suggestions and the opinion of the Government, which is in the position of operating them, differ considerably. There have been instances of direct conflict between advisory bodies in Wales and the Government in London. This was the case on more than one occasion with the Advisory Council for Wales and Monmouthshire. I would refer to the reports on Rural Depopulation in Wales (Command

No. 8844) of 1953, and on Government Administration (Command No. 53) of 1957. In both these instances the recommendations of the advisory body—which could be assumed to represent the most responsible and best informed opinion available—brought it into direct conflict with the Government in power. The refusal of the Government to implement its recommendations brought about the resignations of people who had given of their best on these bodies.

Another example is the Central Advisory Council on Education in Wales. In its 1961 Report on Technical Education in Wales (S.O. code No. 27-345), the Council advocated the establishment of a national apprenticeship scheme, drawing attention at the same time to the very wide divergence of conditions in Wales and England. It actually stated that there was no hope of this recommendation being implemented under the present framework, which does not permit special provision for Wales: this point was so significant that it had to be made in the report. Quite apart from any emotion, any national feeling, it is now admitted and recognised that there is a body of opinion in Wales that needs expression because it is different and divergent from opinion in England, and yet when it is expressed, in very many cases it is entirely ignored by the Government.

Another point is that made in paragraph 7 of my paper. What is often levelled against our proposals is the unsuitability of Wales for self-government. This argument very often rests on the small size of Wales, but we have only to make elementary comparisons to find that the size of Wales is by no means exceptional for a sovereign state with full international status. There are very many examples of countries which are smaller, smaller in population, poorer in resources, and countries which lack nearly everything except the will to exist. For your attention I have prepared a list of countries named in the United Nations Demographic Year Book for 1967 with populations smaller than or equivalent to Wales (Annex B). Of these, 33 are actual members of the United Nations. This is not completely up to date, and I should imagine that the number is by now larger.

It is also significant that in some of the federal countries of the world today their component parts exhibit a fairly uniform pattern of population. A level of around 3 million is, one might almost say, the order of the day, and certainly it is far from being exceptional. In the states which comprise the United States, only 15 are larger than this average minimum. The

Lander in the Federal German Republic exhibit the same pattern, with six out of eleven having a population of roughly 3 million or under. The situation of Wales is not unique. I refer in the next paragraph to the growth of population here in Great Britain. This is something which has accelerated very rapidly, but the growth of institutions has not kept pace. When the first census was taken in 1801, the population of the United Kingdom of those days, which included Ireland, was under 12 million. Today the population has increased to over 53 million, but the basic government pattern has remained the same. There has been no devolution of legislation, with the exception of Northern Ireland, within that period. Also there has been a growth in the functions of government. In those days the Government concerned itself with the maintenance of law and order, foreign policy, and trade, but now government intervenes in every aspect of the human being's daily life. One knows and comes into contact with government and its various pieces of machinery in everything one does during the course of the day, but there has been no attempt to break this down and ease the strain on the centre of power. Whereas the Government has increased enormously the machine which regulates our daily lives, it is still basically on the same footing as it was when the number of inhabitants was infinitely smaller.

123. CHAIRMAN: Thank you.

DR. WILLIAMS: My Lord Chairman, to support the different arguments for the transfer of government from London to Wales, I wish to present evidence (Annex C) which I hope the Commission will consider, and to ask whether the economic and social potential of Wales has been developed under the present system of government as it might have been under a Welsh government.

I will start by discussing the basic resources of Wales, because it is obvious that today Wales can provide almost all the basic materials needed by modern manufacturing industries: coal, oil products, plastics and other petro-chemicals, iron and steel, tinplate, a wide range of non-ferrous metals including fabricated aluminium, zinc and nickel, quarried minerals, forestry products, synthetic fibres such as rayon and nylon—the list is a long one. An industrialist in Wales can usually find his raw materials close at hand, and Wales can moreover guarantee abundant water supplies. More and more industries require large quantities of water and depend on areas where water is plentiful and cheap. Wales is an ideal centre for such

industries. Finally—and this is extremely important—Wales has an excess capacity for generating electricity. This is no accident. With a large coalfield, a major oil port, widespread hydro-electric resources and ideal coastal sites for nuclear power stations, Wales can guarantee an expanding supply of power for industrial development.

In other words, in almost every single category of basic raw materials needed by modern manufacturing industries, Wales produces more per capita than the rest of the United Kingdom. This is illustrated in Table 1 where output for 1966 is given; and what was true in 1966 has been true for over a century. Few nations have been as well endowed with resources and I think one would expect such a nation to be among the most prosperous and the most dynamic.

We are not in a position of isolation, even though this is often said in argument. Wales is strategically situated for economic prosperity. To the west, Wales is served by deep water ports, and the ability to handle ships of up to 200,000 tons provides us with a golden opportunity for expansion. Up to now, oil has been the main cargo to exploit deepwater ports, and already Milford Haven has become the largest oil port in Britain. I imagine that expert advice would confirm that in the near future more and more cargoes will be carried in very large ships, and I would suggest that it is essential for the deepwater facilities at Holyhead, Milford Haven and Port Talbot to be developed to handle a wide range of imports and exports. In this way Wales could become an important distribution centre for the trade entering Europe from America and the Far East.

To the east, Wales is offered the markets of the Midlands and south-east England—a population of over 40 million lying within 150 miles of the main centres of Welsh industry; and this gives Wales a powerful advantage over Ireland, Scotland and north-east England. I would stress this point, because Wales is often regarded—I know this from personal experience—as remote and inaccessible. This is the result of inadequate communications. Perhaps I might mention here that a map was published recently in "The Economist" which showed London as the centre of the world, and the distances between London and other places was measured by the minimum time in which it was possible to travel from London to the various other places by scheduled public transport. I was amazed to find that, in terms of travel time, West Wales was further away from London than the east coast of America.

It is this lack of development that fosters the idea that Wales suffers from remoteness. I would suggest that with a better communications system Wales would lie in the mainstream of European trade.

In addition to these material advantages, I would submit that in a modern economic system the most important inputs are the skills of highly educated people. For various historic reasons, the people of Wales have always placed a high priority on education and, properly exploited, this tradition could equip Wales to face the challenge of a rapidly-changing world. If I may quote one set of statistics here—in 1966, 11·7 per cent of school-leavers in Wales went to a university or college of education and 10·1 per cent followed some other course of full-time education. The corresponding figures for England were 8·4 per cent and 9·2 per cent. This respect for higher education is especially marked in rural Wales. For instance, in my adopted county of Cardiganshire 43·6 per cent of school-leavers in 1967 were given awards for further education, mainly in universities or colleges of education. Such emphasis on education, properly interpreted in the modern context, must be counted as a major asset in assessing the basic potentialities of Wales.

The point of outlining these facts is that it would be reasonable to expect a nation with such advantages—whether or not we deserve them—to continue to enjoy economic prosperity, providing full and progressive employment for all its people. I am afraid this has not been the case over the last 50 years. For 50 years Wales has suffered from high unemployment, a low activity rate and the continuing migration of young people. I shall give evidence on that, though I do it reluctantly, because I do not wish this evidence to be regarded as propaganda or as a recital of grievances. Negative considerations of this kind can provide no real argument.

To start with unemployment; the best-known index of this is in the monthly figures of direct unemployment, published in the Employment and Productivity Gazette. These figures give the numbers of men and women who are actively looking for employment and registered as unemployed. Direct unemployment in Wales today must be considered in perspective. Since the last war it has never approached the tragic proportions experienced in the 1930s. Nevertheless, if we trace registered unemployment over the past ten years, we see that in Wales the level is always about double the level in England—and this is true in boom or recession. I give the figures over the last ten years in Table 2a.

A more detailed analysis of direct unemployment shows that the real difference is even larger than this suggests. Because of seasonal and frictional unemployment, it is argued that in Britain direct unemployment can never fall far below 1·0 per cent. It follows that long-term unemployment is usually negligible in England as a whole, but in Wales it is a permanent problem. For example, during five of the past ten years the number of vacancies unfilled in England has in fact exceeded the number of registered unemployed. This has never been the case in Wales over the same period. But to establish how far Wales has failed to exploit its economic potential, it is necessary to take account of the number of people actually in gainful employment. Direct unemployment is only the tip of the iceberg, and the true economic prosperity of a community is measured by the number of people actually in gainful employment, for they have to support the remainder of the population.

The official way of expressing the level of employment is the employee activity rate, i.e. the number of employees and registered unemployed as a percentage of the total population of legal working age—that is, over 15 years of age. In Table 3a I quote the employee activity rate for Wales and England over the years 1962/67. From this we see that to raise the employee activity rate in Wales to the level of that in England would require an extra 90,000 jobs for men and 110,000 for women. We also see that the difference in the employee activity rate between Wales and England is, if anything, increasing rather than decreasing. This is an extremely serious situation.

Finally, in Table 3b we see the employee activity rates analysed by age group. It is clear that hidden unemployment—the basic unemployment of our community—is marked in every age group. The Government, in a series of Parliamentary Answers, have officially tried to explain the low activity rates by quoting four factors: firstly, the high proportion of self-employed persons in Wales—especially small farmers; secondly, the high proportion of retired people who come to Wales and have no intention of working; thirdly, the high proportion of children staying on at school after the age of 15; and fourthly, the low activity rate which is said to be inevitable in rural areas, with their established patterns of life and their transport difficulties.

What we have tried to do is to estimate the true level of hidden employment in Wales. We have included in the figures the

estimated numbers of employers and self-employed (although this factor is no longer relevant); and we have based the activity rate on the home population of normal working age—that is 15–64 for men and 15–59 for women. In addition we have made corrections for the greater emphasis on higher education in Wales by assuming that the proportion of young people following advanced education was raised in England to the level it is in Wales. With these adjustments, we see that the true level of hidden unemployment in Wales is 20,000 men and 90,000 women. Adding the registered unemployed, we have a situation where it appears that 150,000 of our population of 2·7 million can be regarded as unemployed in some way.

If this analysis is carried out, based on the 1966 census on a county-by-county basis, in every county in Wales the total activity rate falls below the average for England, and, surprisingly, the level of employment is as low in industrial counties as in rural counties.

Coming now to the question of migration, an inevitable result of chronic under-employment is the emigration of young people in search of jobs. Massive emigration of young people has been a tragic feature of Welsh life for 50 years. Between 1921 and 1967 the excess of births over deaths in Wales was 553,000, but over this period the total population increased by only 38,000, so that the net migration figure was 515,000. Wales is one of the few nations in the world whose total population has remained static over the past 50 years. The population has actually fallen in seven of the thirteen counties of Wales over this period, and this leaves acute social problems of depopulation. I think the problem is more serious than might be suggested by these data alone, because the 1966 census demonstrated that the emigration of people of working age is far higher—but this is partly offset in the net figures by the immigration of elderly people coming to Wales to retire. What is more disturbing is that the process is continuing. According to the Department of Employment and Productivity, the net emigration of employees from Wales to employment elsewhere in the United Kingdom was 11,000 in 1964/65 and 12,000 in 1965/66. This represents the net transfer of employees carrying insurance cards: it does not count the dependants or any multiplying factor of that kind. Since 1966 the Department have discontinued publishing the relevant statistics, but the accelerating fall in total employment in Wales suggests

that in subsequent years the rate of emigration of employees has increased.

Moreover, there is strong evidence that this emigration is selective, taking the most ambitious and best educated young people who find no opportunities for progressive employment in Wales. It is well known that the net emigration of trained teachers from Wales is about 1,000 per annum—between 40 and 50 per cent of the total number of school-leavers in Wales who were trained in colleges of education. A similar picture—though it is less well known—is seen in technological education. According to the report of the Central Advisory Council for Education (Wales) entitled "Science in Education in Wales today", out of 730 technologists trained in Wales each year, 530 must seek employment outside Wales. It will be seen that, if anything, among technologists the rate of emigration is higher.

That is one part of my evidence, I would now like to turn to the continuing failure of the present system of government to exploit the potential that we know exists in Wales. There can be two reasons for this: it could be due to the psychology of Wales itself or it could be due to failure in England to understand the problems.

Rather than make a broad statement that the Government in London does not understand Welsh problems, I will give just a few examples, based on what I have seen happening over the last ten years since I have been active in politics. It is not a complete list.

The mistakes made by the Central Government tend to fall into two patterns: first of all, there have been those decisions which are in all honesty intended to benefit Wales, and perhaps would do so in the long term, but which, because of a lack of knowledge or experience of the Welsh situation, have been given the wrong priority. There is one outstanding example at the moment which should be considered. To attract new industry into Wales, there is a wide range of cash incentives offered to compensate industry for the disadvantages of operating in Wales. Over the past four years the total budget spent in this way has increased every year, but these incentives have had only limited success in attracting new industry and new employment to match the rundown of employment in existing industries. In Table 4 figures are given of employees in employment in June of each year (this is the table which is relevant to migration). The number of employees in employment in June of each year has fallen from 672,000 in 1964 to

629,000 in 1968. In the figures for women, where there is an extremely low activity rate, the comparison between 1964 and 1968 shows only a slight increase.

As a result of this, a remarkable consensus of Welsh opinion, including Plaid Cymru, the Welsh Liberal Party, the Conservative Party, the Welsh CBI and several county authorities have urged that at least some of this budget would have been better employed in removing the disadvantages. In particular, they have all proposed an increase in central government expenditure on roads in Wales.

In Table 5 we see that over the past four years expenditure by the central government on roads has been cut each year in Wales whilst in England, quite properly, it has increased steadily. During 1966/67, expenditure by the central government, and not by local authorities—I believe that the figures issued by the Welsh Office include both local government and central government—was £19.5 million; in 1967/68 expenditure was £16.1 million; in 1968/69 it was £15.6 million; and for 1969/70 I can only give an estimate. There is a supplementary estimate for work in development areas: it has been announced, but we do not yet know how much will be allocated to roads. There was a total supplementary budget of £1.4 million for Wales.

The road programme is inadequate, but even within this programme the priorities are wrong. For example, six years ago there were two imaginative projects which were proposed to improve road communications—each costing between £10 million and £20 million—that is, the Cardiff-Merthyr dual carriageway and the Severn bridge. Both, in their own way, were exciting and imaginative projects and both would benefit Wales in time: there is no doubt about that. The case for the dual carriageway was overwhelming and immediate because the existing road was at the time perhaps the most overcrowded in Wales. It served the Taff, Rhondda, Cynon and Taff Bargoed valleys, and Merthyr itself. The road was therefore of direct consequence to a population of 320,000 in an area with a rapidly declining coal industry and a desperate need for new industry.

The case for the Severn Bridge was strong but not so urgent. When, and only when, the M4 motorway was completed between South Wales and London would the bridge begin to benefit Wales. In the meantime it might even handicap Wales by encouraging firms with distribution centres or regional headquarters in Bristol and

Cardiff to centralise their activities in Bristol.

In fact, as we know, the Severn bridge was built; the immediate consequences were as predicted and the M4 is still incomplete. On the other hand, work has only just begun on the first stage of the new Cardiff-Merthyr road, and no timetable for the remaining stages has yet been confirmed. Money has been spent, but with the wrong priorities. Estuary barrages have been proposed for four sites in Wales, at the mouths of the Dyfi, Mawddwch, Conwy and Dee. In the cases of Dyfi, Mawddwch and Conwy, the benefits for Wales from such barrages are clear. They would provide large fresh-water reservoirs without flooding any useful land. They would maintain a constant water level in the estuary and hence allow improved yachting facilities. The distribution of water in each case from the reservoir would be conveniently associated with a pumped storage scheme. Also, in each case they would provide valuable road crossings of the estuary. The effect of the Dee barrage on Wales is less certain. In the economic plan for the north-west of England which was published by the Department of Economic Affairs, it is envisaged that "if a crossing could be built at a reasonable cost it might be possible to carry out major new developments on the western side of the estuary which would initially depend on employment in Merseyside." I would like to stress that last part. It means that Flintshire would become a dormitory suburb of Merseyside. This poses real economic and social dangers, unless there is a strong policy of industrial development on the Welsh side to take full advantage of the opportunities offered by the crossing.

From a Welsh point of view, feasibility studies for Dyfi, Mawddwch and Conwy should have priority, but the Government have refused to provide the necessary budget for this. A full study of the Dee crossing is under way.

Turning now to the last page of my paper, we come to consider decisions which have been taken in the past and which are quite properly relevant to England but which may be disastrous to Wales. I have two examples of this. First, when S.E.T. was introduced, it was claimed it would encourage a movement of labour from the service industries into the manufacturing industries. This perhaps may have been a sensible policy in the Midlands and south-east England, where there is a large manufacturing sector and a chronic labour shortage. It was—and was seen to be—a disastrous policy for those areas in

Wales with little or no manufacturing industry and with a high level of unemployment and emigration.

The second example concerns the Agriculture Act 1967. The major portion of this Act is concerned with the reorganisation of farms to eliminate the smaller unit and to establish what are considered to be larger and more economic units. The Act defines a commercial holding as one with a minimum equivalent of 600 standard man-days, i.e. a farm which employs at least one full-time farmworker in addition to the farmer himself. This may be a sensible minimum for English farming, but in Wales the traditional unit has been the family farm, with an equivalent of between 275 and 600 standard man-days—that is, a farm worked by a farmer with part-time help from his family. Some 83 per cent of all Welsh holdings fall below the defined minimum.

The possible effect of this Act can be judged from the following analysis. At the moment there are about 45,000 holdings in Wales. If all smaller farms were amalgamated into units of 600 standard man-days there would then be only 21,000 separate holdings. If we assume 21,000 farmers or farm managers, they will need a force of between 25,000 and 30,000 regular farmworkers to run these large holdings.

This figure can be compared with the present labour force of about 15,000 regular farmworkers, diminishing by about 1,500 each year. Any attempt to establish a minimum-size holding of 600 standard man-days must assume that at least 10,000 self-employed farmers who are at present farming a family farm are prepared, or their sons are prepared, to give up that farm and become labourers on a larger holding. This, of course, would never happen; and to that extent the Agriculture Act of 1967 is totally irrelevant to Wales.

I think this could be extended to a very considerable extent to show how in a large number of detailed cases decisions made by the Government in London have so often proved to be unsuitable to the special needs of Wales. There is also the other argument, which is intangible. It is the effect that self-government would have on the people of Wales—on me and my generation. It is the challenge of being able to do something for ourselves, to build the kind of nation we want, to make the mistakes that we want. Although I cannot express it other than in an emotional way, one feels that there is an intangible and emotional potential there which could transform the situation in Wales. It is the

people of my generation who have the determination to face that challenge.

124. CHAIRMAN: Thank you, Dr. Williams. We are running into timetable trouble, I fear, because three of the presentations this morning have occupied the time that was allocated to five. This is unfortunate. The real difficulty arises because it seems to me that when proceedings take place in public it is the questioning of the evidence that is the most important thing, and it would not be proper that the time left to us should be entirely occupied by statements, so that there would be no time left for questioning. I am in some difficulty now to know how to proceed, Mr. Gwynfor Evans. We had intended to devote the second part of this afternoon's session to a meeting with departmental heads of the Welsh Office and questioning them. This is not, of course, unimportant. However, I think it might be possible to postpone that hearing if we might use the time instead for you gentlemen to come back in the latter part of this afternoon. I wonder if that would be possible for you? I do not think we can alter the earlier part of the afternoon, when a witness is ready to appear before us. Do you think that might be the best way to proceed?—MR. GWYNFOR EVANS: We should be grateful for that, sir,

125. CHAIRMAN: Is it possible for your statements to be abbreviated at all? If not, you see, the whole of this morning is going to be occupied by statements and we are losing the time available for questioning. We were assured that the statements would take only a short time. I cannot refrain from saying that some of this difficulty we are in is due to your decision—taken only yesterday—to address us in Welsh. It has absorbed a great deal of time which could have been used for questioning. I feel I must ask you to abbreviate your statements if that is at all possible.—

MR. POWELL: Perhaps I should answer your question by saying that so far as my contribution is concerned it does, of course, include the constitutional elements which are of particular importance in this instance, and of great interest to the Commission. I hope to confine my observations to approximately 35 minutes. If my speech is somewhat ragged I hope you will understand.

126. CHAIRMAN: Then let us proceed in that way. Mr. Powell will speak next and, after him, Mr. Wigley. I hope that perhaps both the statements might be accelerated if possible. It will mean that the whole of this morning will have been

occupied by statements. We will resume after lunch as soon as may be and in the latter part of the afternoon we will start the questioning.

127. MR. POWELL: My Lord Chairman, whatever view the Commission may take of the proposed changes in the Constitution of the United Kingdom, I venture to say there are two sets of facts which are basic to its enquiries so far as Wales is concerned. The first set is the existence of the office of the Secretary of State, with corresponding parliamentary provisions, together with the existence of such institutions as the Welsh Council.

The second set is the consciousness of nationhood, which is responsible for the existence of these institutions. This is referred to in paragraph 3 of Sir Goronwy Daniel's evidence, in which he refers to the re-awakening of the consciousness of nationhood in Wales in the 19th century. What was true then is of infinitely greater moment today. I would venture to say that were it not for the victories and near-victories of Plaid Cymru and of the Scottish Nationalist Party in recent by-elections, this Commission would never have come into existence.

It is these two sets of facts which distinguish Wales from regions in England. I am quite certain that Welsh opinion would never tolerate a return to a situation in which Wales had no recognition at all within the United Kingdom. I am quite certain that this Commission is not thinking in those terms either: so really the question for the Commission is: "To where do we advance from here?"

The key to those questions lies in a series of answers given yesterday by Sir Goronwy Daniel to Mr. Alun Talfan Davies. The first question was when Sir Goronwy was asked whether the existing arrangements for debate and scrutiny of Welsh affairs at Westminster were adequate; and my note of Sir Goronwy Daniel's reply was this: "Is it the best arrangement that the Welsh Office should be accountable to a parliament in which only six per cent of its members are interested in Welsh affairs?" By "interested" there, I took it he meant directly concerned with Welsh affairs.

In a further answer to Mr. Alun Talfan Davies, Sir Goronwy said: "I believe that in a democratic state a public servant ought to have in mind that he will be called to account by a body elected by the people whom he is serving."

There was a further question by Mr. Davies as to whether there was a danger

that Wales would be governed by an elite Civil Service, and that danger was recognised by Sir Goronwy. He said it could arise through two causes—first of all, that if accountability is only to Westminster, then the amount of time which can be made available is limited. He qualified that by saying that Parliament was able to adjust itself to its needs. Secondly, he said that with the delegation of greater powers to the Secretary of State there was that danger existing.

I venture to say that in any study the Commission may make, that really is the starting point: the Commission must ask—if it is agreed that in a democratic society the principle of accountability is paramount and must be exercised—to whom and for what.

To the question, "to whom", Sir Goronwy gave the answer that it was clearly to be a Welsh parliament, to a body elected. He mentioned certain other alternatives, but you may think the gravamen of his answer was: "Is it the best arrangement that the Welsh Office should be accountable to a parliament in which only six per cent of its members are interested in Welsh affairs?"

This principle of accountability is of long standing. With Lord Foot present, I need not go into the very bitter struggle which occurred between Parliament and the King in the 17th century. My Lord Foot's family has had a distinguished record of devotion to the memory of those who cherished the principle of accountability in that period. The lesson was slow to be learnt, but I commend, with the greatest respect, the history of the mid-19th century, when this principle and problem of accountability was being discussed and given effect in relation to the colonies. There one can read the history of the failure of elected councils to which the executive was not responsible: this does not satisfy self-respecting men.

That is our basic submission today. I venture to say that these are the basic facts from which you will be beginning your study. Men have clearly thought that responsible government was the answer. It is associated with the great names of Durham and Buller. The documents are readily accessible, and I can give references to them. It is an interesting study, because they do point to one interesting and significant fact, namely that once a nation has received recognition and has public servants serving it, then until those servants are accountable to a freely-elected assembly, to a parliament, and until parliament is able to control those

servants through the normal channels, there can be no satisfaction in the people, they will be satisfied with nothing less than full accountability.

As to the next question—"for what?"—it is not just the functions for which the Welsh Office are responsible at the present moment which are involved. We know those functions can easily be extended with no administrative difficulty to cover such other matters as education and agriculture. We have seen that there are major problems of economic planning which should in truth be the responsibility of a Welsh parliament, and that the Ministers responsible for the formulation and execution of policies should be answerable to that parliament. Therefore the time has come—this is our basic submission—when the whole range of government activities must be transferred into the hands of the Welsh nation.

Whatever recommendation this Commission sees fit to make, ultimately the decision must rest with the Welsh people; and nothing can be foisted on the Welsh people. Neither would it be right if the will of the Welsh people, once expressed, were then to be blunted or slighted by the United Kingdom Parliament. We have rather bitter recent memories of the will of the Welsh people being steam-rollered by the United Kingdom Parliament, and I am sure that, with goodwill, it will not happen again. I need only mention the Liverpool Corporation Act.

Whatever decision this Commission sees fit to make, it will have performed an historic task, and one for which the people of Wales will be grateful, if it considers, not only the alternatives which may be placed before the Welsh electorate, but also the steps necessary to make the transition of power smooth, so that we shall have within what is now the United Kingdom a partnership between equals, as Mr. Gwynfor Evans has already indicated.

What Plaid Cymru proposes is logical and reasonable, and involves three complementary concepts: first of all, full statehood within the Commonwealth; secondly, partnership with the other countries of Britain in a common market; and thirdly, the attainment of these aims by constitutional means and by a process of phasing.

May I very briefly deal with full statehood. It is called by various titles, including dominion status and independence within the Commonwealth. It is a well recognised status and one which is enjoyed by 130 countries and, within the United Nations, by 34 countries which are smaller than Wales. Out of 28 Commonwealth countries,

13 have populations less than Wales—some of them far less than Wales.

It is again not a matter of pride or of sentiment that Wales should enjoy full statehood. A parliament with no control over the economic life of the country, over the trade or monetary policy of a country, would be ineffective to reverse the economic disintegration of which Dr. Williams has already spoken; and it would leave us bereft not only of power but of the full and necessary means to create an expanding economy. Again it follows from this that the country, if it is to have a real say in trade policy, must have control of its relationships with other states.

The second concept is that of partnership within the common market. The term "full statehood" which I have used—and which Plaid Cymru uses—is used deliberately, because Plaid Cymru does not believe in out-dated concepts of sovereignty. States must not only have responsibility; they have to have real responsibility. I think you, my Lord Chairman, in a B.B.C. interview mentioned the distinction between power and apparent power. Perhaps the classic illustration of that is the one given by Dicey, in which he says that the Parliament of the United Kingdom is so powerful that in effect it can legislate to make a man a woman and a woman a man. That, of course, is the classic instance of what we might call apparent power. The real power, we know, is very much more limited. Plaid Cymru does not—let me stress this—stand for separatism. It believes that Wales has a part to play in the councils of the nations just as the 125 other members of the United Nations have, or the 28 members of the Commonwealth.

So far as its relationships are concerned, we hope the relationship between us will remain close, as it has been in the past. It is a relationship which is close on an economic level and also in terms of social contact.

We do not believe that it is either necessary or desirable that there should be manned frontiers, or passport formalities or customs barriers.

We do not believe there is any obstacle to a free flow of persons, their capital and their goods. This is entirely compatible with the status of full statehood. It is in fact already a status which is enjoyed by the countries of Scandinavia, and perhaps the most shining example of it is the Nordic Council. We too believe in partnership.

The third concept is that the attainment of this must be by constitutional means, and by constitutional means alone.

There can be no question of a U.D.I. so far as Wales is concerned. It is essential that the movement should be carried out smoothly and peacefully, and this is entirely in accord with our long-term and short-term needs.

Secondly, in a highly industrialised country like Wales, any unconstitutional process of transition would necessarily result in economic dislocation and the flight of people because of the loss of employment, with the economic and industrial chaos, and indeed political chaos, that would ensue.

Therefore the process of transition must be political and must be achieved by constitutional means—political through the ballot box and constitutional through the United Kingdom Parliament. There is no place in Plaid Cymru for the anarchist, nor for the anarchist's sympathiser.

The obverse of this is that when the will of the Welsh people is declared through the ballot box, it will be respected and given effect to by Parliament in Westminster. I can do no better than quote the words of Mr. Gwynfor Evans in "The Times" some months ago: "The Welsh people have a responsibility to express their will through political and constitutional action, but when they do so the Government has an equal responsibility to make a positive response."

Finally, so far as general concepts are concerned, attainment must be by phased means. We have very carefully considered the steps by which the Welsh State should be set up. We envisage it as being in three or four stages. First of all, there will be a rapid expansion of the functions of the Welsh Office; secondly, there will be the passing of an Act of Parliament, setting up the Welsh State; and thirdly, there will be provision made in that Act of Parliament for a period of between twelve and eighteen months to enable Departments which necessarily cannot be created or come into existence whilst Wales is a part of the United Kingdom to be set up. There would be preparatory commissions—which will in effect be a shadow civil service—for Departments concerned with functions not already transferred to the Welsh Office. Their duty will be to recruit staff and to collate information, so that at the moment of the inauguration of the Welsh State—which we clearly envisage as being in the not-too-distant future—the whole machinery of government will be ready to be applied smoothly. We need it; we must have it; and there can be no other way so far as Wales and its people are concerned.

In this phasing, we do not underestimate the importance of the Welsh Office. As I have already indicated, we welcome the expansion of the Welsh Office to include all possible fields of government in Wales which cover domestic matters. Certain matters such as defence, revenue, foreign policy and, probably, trade—these are matters which cannot ever come within the purview of the Welsh Office as such, but we regard the expansion of the Welsh Office as providing the necessary infrastructure for a Welsh State. Perhaps I should say that we do not restrict the possibility of expansion of the Welsh Office as such; there are Welsh Departments such as that of Education and Science, which would have independence if they were under the control of a Welsh Minister of Education, and would be in the same constitutional category as a Department transferred to the Welsh Office.

While the problems of Wales as such demand full statehood, it would be folly not to welcome every step to expand the Welsh Office and give the Welsh legislature control over the transfer of power. In other words, if there were a legislature in Wales which controlled the executive, even in the limited domestic field, that is something which we could not but welcome; and clearly it would be the duty of Plaid Cymru and its members to make it work. But it would be an equally gross error of judgment on the part of the Government or the U.K. Political parties to interpret such willingness as a sign of willingness to compromise. We believe full statehood is essential, and we intend to pursue that end.

I have mentioned the establishment of preparatory commissions, which would form a shadow civil service. They would be under the general supervision of the Secretary of State, and he would be answerable to Parliament—we assume through the Welsh Grand Committee, pending the establishment of a Welsh State. In that sense the Welsh Grand Committee would be, as it were, the shadow Welsh Parliament.

Again, the process of phasing requires a transfer into Welsh hands of statutory boards, on a Welsh basis. For example, we have the Wales Gas Board: we think the same should apply to the Electricity Board and also to nationalised industries such as coal, and indeed steel.

The establishment of a parliament with full powers to initiate policies and control the executive, is central to our thinking.

The parliament which we propose is a bicameral parliament, with a governor-general representing the Queen. We think

the link with the Commonwealth through the Crown is desirable, and that it is in no way an affront to the susceptibilities of the vast majority of Welshmen. Plaid Cymru is not a republican party: it may have republicans amongst its members, but it is not a republican party.

The first House would be elected on the basis of universal suffrage, and it would have exclusive control over finances. I do not propose to deal in any great detail at this stage with that, because that is perhaps a matter which can be dealt with at a later stage by questioning, save to say this—that the first House will have powers in relation to Wales similar to those which the House of Commons has in relation to the U.K. All cabinet ministers, apart from the Minister of Local Government, would be members of this first House.

I would like to say something about a second House. This is a matter we have considered very carefully. Several Scandinavian countries latterly have found that unicameral Parliaments satisfied their needs, and whilst we might say that this is the constitutional trend—because one must always respect what happens in Scandinavia—we feel that in Wales there is a very strong case for a second chamber, providing that it is closely linked with local government. What we propose is that the second chamber will in fact be a chamber composed of persons nominated by the elected members of the county councils, or their successors, and that there should be express provision whereby minority interests on county councils are protected by way of a proportional representation in the second House.

A word here, if I may, about local government: Plaid Cymru does not believe in the current theory that the bigger the unit, the better it is.

No doubt, as we heard from Sir Goronwy Daniel yesterday, the administrator likes the larger unit—and of course he can get on with the job better without interference from an elected body controlling him. We think however that the more closely knit the communities are and the greater the degree of rapport between them and their representatives and the public servants, the better; and we believe that the smaller unit—for example, the existing county councils—are better than large areas with massive populations. However, although we shall necessarily be tied by the structure of local government which we shall inherit, we envisage a two-tier system of local government, consisting of county councils and neighbourhood councils.

We believe that local government, to be effective, must have larger powers. We think the distribution of electricity and gas is a matter for local authorities. We think, again, that hospital management might be considered a matter for local authorities. We think the local authorities should be given the power to levy such taxes as they require, so as to free them from the idea that they are receiving largesse from the central government.

The second chamber should in turn basically be a house of local authorities, and it should be such as to attract the better type of man to local government. The local authority, especially the county authority, could then be, as the state is in America or the lander in Germany, a training ground for national politics. We propose that the Minister in charge of local government should be a member of that chamber whereas the other cabinet ministers will be members of the first House.

Provisions for the effective control of our economic life would involve six ancillary steps—that is to say, ancillary to the establishment of a parliament.

There would be a national bank, a companies registry, and the statutory bodies which now exist should be devolved in such a way that they become Welsh bodies answerable to a Welsh parliament. We also think there should be direct representation of the trade unions on the boards of the statutory bodies, in particular of those connected with the production of steel, coal and so on. This should be not by nomination but by direct election by the members concerned in each industry. We think this can be conveniently done through the Registrar of Friendly Societies. While one must avoid any major changes other than the principal constitutional changes, in a transition of this kind there are opportunities for long-called-for reforms; and we think this is one of them. There should also be a Joint Exchequer Board, the purpose of which will be two-fold: first of all, it will be charged with arranging the just proportion pertaining to Wales of the National Debt: we think here that the time has come when, so far as apportioning the National Debt is concerned, consideration would have to be given inter alia to the massive brain drain from Wales over the years; we have heard something of this from Dr. Phil Williams already. Moreover Wales has been bereft of central institutions for a very long time indeed, and it has to remedy this. This again must be reflected in any apportionment of the National Debt. The continuing function of the Joint Exchequer Board will be dealing with the

day to day allocation of taxation. We think this is possible and right. We do not propose there should be any duplication of taxation, or indeed any double taxation. That can easily be avoided, and will be avoided, by the operation of the Joint Exchequer Board, working by and large according to certain fixed formulae.

I now want to deal with three other matters—two involving institutions and one a problem. I have referred to the Common Market Commission; I have referred to the close ties with the other countries of the United Kingdom. The present position is that those close ties are regulated without any real reference to the short-term or long-term needs of Wales. I think Lord Ogmore referred to this yesterday—the fact that Wales has to “fit-in”. This is a phrase used in the evidence of the Welsh Office which was given by Sir Goronwy Daniel. This sort of close tie, where we have no say, must go.

What sort of say do we propose Wales should have? A federal solution, in which the decision on major economic matters is in the hands of the Central Government, we consider would leave the present situation unchanged and, for that reason, is undesirable. The proposal which Lord Ogmore gave I am afraid I do not quite follow, and I do not propose to deal with that at all—because he appeared to believe that Wales should in fact not only have the power to have a customs barrier, but that there should be a customs barrier: such a situation is incompatible with the federal status he appears to advocate, and entirely unworkable in a federal state, where the power to regulate trade, monetary policy, foreign affairs and defence must remain exclusively with the federal, i.e. the central, government. The second choice is the choice which is now facing the United Kingdom—that of entry into the European Economic Community. We do not propose a common market of that kind, where decisions are taken by Ministers by majority and are binding on the member-governments and on their parliaments, even though those parliaments have had no opportunity to discuss or approve such decisions. We think that is quite contrary to the principle of parliamentary democracy and to ministerial responsibility as we have known it. It may well be a factor which has not received sufficient attention in England; but that kind of common market we do not approve of.

The common market we propose will be based on the voluntary principle, with each State having full liberty to implement or not to implement recommendations made

to it by a central body or commission of experts, which we call the Common Market Commission. These experts may vary from time to time. They may be experts in banking or in trade, but they will be in almost permanent session and they will be assisted by a staff. They will be drawn from each of the three countries, and also possibly from Eire; but I am only concerned with Wales. However, it will be the duty of this commission to keep under constant review the economic position of each of their countries and to advise their countries on financial matters, on fiscal policies and trade matters, and indeed on social security, with a view to establishing uniform rates of taxation and customs levies. There are certain matters in which there can be variation, but that is a matter for my friends to deal with. It will also be the duty of the commission to see that there are uniform standards in the social services. I would like to say, incidentally, that I was appalled at the suggestion made yesterday by Lord Ogmore on behalf of the Welsh Liberal Party that he was quite prepared to see the social security benefits slashed in Wales, and that we should tighten our belts if necessary. I do not think that is necessary—but Mr. Wigley will deal with that aspect.

It will be part and parcel of the duty of the commission to make recommendations to the governments, so that there is a uniform, or broadly uniform, system of social security, together with complete interchangeability.

Again looking to the Nordic Council, this system of control and advice would include such things as common research units, common services of various kinds, and common market services in certain instances—but each government would be free to reject or accept the advice given.

We see no difficulty in achieving such unanimity, because by sensible discussion between experts we can foresee that the interest, and indeed the self-interest, of each of the partners is such that adjustments will be made to ensure that the common market is kept together. If the time comes when the interests of one or other of the countries is so threatened—vital interests threatened with destruction—that unanimity is impossible, then the time has come to dissolve the common market. We do not envisage that happening.

This machinery works in the Nordic countries, and we see no reason why we should not be able to work happily on these lines here, given goodwill. A partnership of four countries avoids in this way domination by one country, the major

partner, such as we have in a unified country, where the interest of the lesser country has necessarily to be relegated. For instance, even if you had ten Lloyd Georges and a hundred lesser minions in the Cabinet from Wales, their duty is to serve the interest of the United Kingdom as a whole. We say that the solution proposed by us avoids that difficulty and it also avoids the difficulty of such a situation as exists in Ireland at the moment—where the Government of the Republic must willy-nilly follow decisions made outside its own frontiers.

I shall say very little about the courts. We propose a separate judicature for Wales. Scotland has one and Northern Ireland has one, and Northern Ireland has a smaller population than Wales. We think this is necessary, and the time has come when it is right to recognise that it is entirely illogical for a series of judges to go in and out of Wales and for there to be long waiting lists in the courts. Plaid Cymru made these proposals to the Beeching Commission, and no doubt we shall be hearing from that Commission within the next few weeks. There would be no difficulty in staffing these courts, if the number of Welshmen on the Bench is any indication.

We envisage a streamlining of the courts and in particular, so far as the civil business of the courts is concerned, we regard it as vital that questions of compulsory purchase should be transferred to the regular courts of law and decided according to the wishes of the litigant, and according to the amounts involved, either by the Welsh High Court or by the Welsh County Courts. Again, we think that certain functions such as the work of rent tribunals should be transferred to the magistrates and certain functions now exercised under the National Insurance Acts should go to the county courts, with the right of audience unchanged—in other words, there is no reason why trade union representatives in those cases should not appear in the county courts.

All I would say is that I sincerely hope that the very strong representations made to the Beeching Commission by Plaid Cymru, and by other bodies in Wales, that Wales should be treated as a unit should be respected. If they are not, I should certainly ask this Commission to consider that matter very carefully and to say that wherever there is such a system, whether of the nature of a statutory board or of the nature of a court of law, that Wales should from now on—whatever developments may take place—be treated as a unit.

Finally, I am bound to refer to this question of language. We value and cherish our language. The significant thing is that out of five members of Plaid Cymru comprising this deputation before you, only two of us have had the advantage of learning the Welsh language at home, so to speak, from birth. That, of course, is a phenomenon of recent origin, and the desire of the Welsh people to recapture their language is something which cheers the heart and, indeed, is perhaps amazing in the middle of this 20th century. There is a fund of goodwill in Wales towards the Welsh language. The vast majority would like to learn it. We think that desire should be encouraged. We do not think it should be part and parcel of any constitutional proposal made now. We think that it should be left to the Welsh people to decide in their own parliament.

May I say that Plaid Cymru believes that the love of the Welsh language and the desire to regain it is not only something to be admired but to be nurtured. We do not believe in compulsion or in stuffing anything down people's throats. If people want to learn the language, they will, and we think they will. We also think that within 30 years it will be possible, given the right conditions, to make Wales a bilingual nation. Sir, those are the observations I have to make, and I thank the Commission for giving me the opportunity of putting them before you.

128. CHAIRMAN: Thank you, Mr. Powell. We are again running into timetable trouble. During the recess the Commission decided that since your evidence covers such a very wide field—and I do not mean this critically, as in the time it was not possible to do otherwise—many very large matters have sometimes been disposed of in your evidence in summary sentences, and it would take a great deal of time in questioning to explore these matters. But we cannot go very far today. In particular we decided that we would not attempt to explore in any detail the economic and financial aspects, partly through lack of time, and also because some of the statistical evidence should be examined before we ask questions. When we come on to the question period, while economic and financial questions will not be totally abandoned, because obviously there are inter-connections with political and constitutional matters, we are going to concentrate on the non-economic matters. In the light of that is it still your wish that Mr. Wigley should give his presentation now?—**MR. GWYNFOR EVANS:** There is a very close connection between

certain aspects of the fiscal policy and even cultural matters. If Mr. Dafydd Wigley could speak for nine or ten minutes?

129. MR. WIGLEY: My Lord Chairman, we would contend, with respect, that any comprehensive evidence that is placed before you should balance the desirability of improved government with the financial and economic implications of such proposals. For this reason we give as much and as full emphasis to these aspects of our submission as we do to the constitutional, cultural and linguistic aspects.

Of course many of the financial and economic facts are available, though they have to be sorted out from a host of different sources, as Sir Goronwy Daniel mentioned yesterday. This I trust, with the greatest respect, is one of the tasks which you have already put in hand, but from my experience as leader of the Plaid Cymru Research Group I can assure you that this is virtually a full time job.

Many of the facts are not available, however, or the Government have chosen not to make them accessible. For this they must bear considerable blame. The absence of fully comprehensive official data concerning the Scottish, and, even more so, the Welsh, economy is nothing short of scandalous. If it were not for the sterling work of Professor Edward Nevin and his team of economists at the University of Wales the situation would not be far short of a total vacuum. This is not the opinion of the Nationalist side alone. A Conservative Party spokesman said only three weeks ago that the ignorance concerning the level of public expenditure in Wales was a grave admission on the part of the Government.

The report of the Welsh Tourist Board, "Tourism in Wales", comments, "The lack of really sound basic information may have been one of the main stumbling blocks to the development of the tourist industry."

Perhaps the greatest evidence of this absence of facts can be found in the Parliamentary Answers to questions by Mr. Gwynfor Evans and Mrs. Winifred Ewing, and the Commission may like to refer to Hansard Volume 765, No. 128, of 29th May 1968. The Government's ignorance of basic statistics relative to the Welsh economy, or their deliberate refusal to divulge them is inexcusable.

It is nothing new to talk of a Welsh economy. It has shown the characteristics of demarcation, and Professor Brinley Thomas has analysed in depth some of these. Differences exist today, as they did before the war and before the first world war, and I believe that Dr. Williams has

underlined these sufficiently. Perhaps the selective employment tax and the Agriculture Bill are the best instances. This is what we mean when we say that the Welsh economy is different from the English economy, and it is because of this that we insist on having a Welsh government that has the maximum practical control over legislation concerning the Welsh economy. These are not isolated instances. At many times during this century the English economy has needed a touch on the brake at a time when the Welsh economy has required not the brake, but the accelerator. We frequently need different economic measures in Wales, different economic manoeuvring, and because of the different structure of our economy we need to some extent different economic strategy.

This is not to say that we do not appreciate the degree to which the Welsh and English economies are inter-dependent, and that the mass markets of England, and indeed continental Europe, are important to manufacturers in Wales. Of course they are, and the degree of self-government that we seek recognises this fact. What we ask for is the power to improve the economic environment of manufacturing units in Wales without robbing them of their markets.

An over-centralised political-decision-taking machine produces such disastrous legislation as the S.E.T. Just as there certainly are advantages of large scale in marketing terms, there are also disadvantages of large scale in political and social terms. Government becomes remote, ignorant, and even oblivious to circumstances pertaining away from the centre. It becomes distant and distrusted. What is clearly necessary is for economic planning decisions to be taken as locally as possible.

We propose a common market for the countries of Britain, for Wales, Scotland and England, and, if they so wish, for Ireland also. We do not propose this idly, or without due thought, and we are well aware of its implications, of the restrictions that such a framework would impose on the freedom of action of a Welsh government. If ever there was a straightforward denial of the principle of absolute sovereignty this is it. Absolute sovereignty has never been part of Plaid Cymru's platform—contrary perhaps to the misconception of many. Nor is the proposal of this type of common market a latter-day attachment to our policies. It has been an integral part of Plaid Cymru policy for a decade. It is important to appreciate the difference between political and financial self-government, which we do seek, and economic separation, which we most

emphatically do not seek. The London Government at infrequent intervals toys with the idea of the U.K. entering the European Common Market. Such consideration recognises that the countries of Europe are economically interdependent. Yet no one seems to see membership of the E.E.C. as implying that Parliament from Westminster would cease. Of course it would not. Westminster would remain the primary centre of political power for England. Westminster might well, and probably would, recognise a council for Europe, but in the foreseeable future such a council will almost certainly have no greater power than that allocated to it by the nations which it represents. If such a pattern is right for Europe, by what token is it wrong for Britain? A council of Britannic states, like the Council for Europe, or perhaps a better example would be like the Nordic Council, drawing its authority from the governments of the individual nations that it represents, is quite in keeping with our proposals. Economic intercourse does not imply political integration. Such integration could lead to yet more remote government, and the concept of a European power block, of a centralist and monolithic nature, is the worst of all possible futures that can await us.

I would now like to look at some of the economic implications of our proposals, and they fall into two parts. First of all, what degree of freedom of economic action would a Welsh government have, given the restrictions of a common market and a common currency; and, secondly, could a Welsh government maintain the current level of services, grants and subsidies on the taxation revenue currently raised in Wales?

Taking these points in order, may I first turn to tariffs and trade. A self-governing country could impose duties on imports in order to protect home industry. We believe that this is undesirable in the context of the countries of Britain, since Wales would have much to lose if there developed an escalation of tariffs and counter-tariffs with England. We therefore see as a minimum necessity a free trade area between the countries of Britain. Furthermore, since we believe that the imposition of customs barriers on the border between our countries would be a retrogressive and undesirable step, it would in practice almost certainly be necessary for there to be a harmonisation of external tariffs. This is why we propose a common market as a solution. We accept that Wales would have no freedom to pursue an independent tariff policy, nor to follow exclusive policies of subsidy or restrictive practice.

In monetary policy were it possible to operate a different monetary policy in Wales to that in England, there would be certain advantages from which Wales could benefit. With the need for capital investment by both public and private enterprise, the possibility of reducing general interest rates is, *prima facie*, attractive. However, it would not be possible to operate an independent monetary policy without restricting the movement of capital between the countries of these islands. Professor Nevin has shown that Wales is a net importer of capital, and such a position is likely to remain for some considerable time after self-government, although one would hope that Wales could eventually provide more and more of the necessary capital internally. It would therefore be to Wales' disadvantage to restrict capital movement. Given the free movement of capital, it would be difficult to attract capital to a lower interest rate in Wales, and so greatly differing interest rates become impossible. Small differences of interest rates could, of course, still persist, as they do to some extent between the Scottish and English banks now. Furthermore, providing that agreement is achieved between the governments of Wales and England, through the relevant commissions, I see no fundamental reason why there should not be a land bank in Wales providing capital at low interest rates, supported by aid from the Welsh government for investment in agriculture, provided that this did not result in the undercutting of prices by Welsh farmers of English farm produce.

Finally, as far as monetary policy is concerned, there is no reason why there should not be different degrees of credit creation and restriction in the different countries through bank directives—and bank directives are a very important weapon these days—proportional to their need for inflation and deflation of their economies. This would be a significant control mechanism of their respective economies. We believe that it is possible to engender a certain amount of inflation in Wales while the overall market needs deflation, because of the relative size of Wales in the total market. This has happened to some degree already in the Benelux common market where Luxembourg, because of her small population in relation to the total population of the market, was able to have certain advantages economically which were of significance to Luxembourg, but which were insignificant in their adverse effect on the remainder of the market.

As far as exchange rate adjustments are concerned, given total independence there

would no doubt be times when Wales would find it to her advantage to vary exchange rates against England. Given the economic interdependence of Wales, England, Scotland and Ireland, however, it is not a very practical proposition. Not least this is because of the need to maintain a free movement of capital. This can readily be seen from the fact that the Republic of Ireland have maintained parity between their pound and that of U.K., although they might have wished otherwise from time to time.

If we accept, as we do, that economic interdependence and the existence of a common market more or less rules out devaluation as a weapon in the Welsh government's armoury, there is little point in having a separate currency in Wales—except for a token currency which would be of assistance to the tourist industry—and we propose to retain the same currency system between all the countries of these islands. The implication of all this is that Wales would not have her own balance of payments, but rather would have a joint balance of payments, in partnership with the other countries in the common market, with the outside world. As far as the role of the central bank is concerned we propose that each of the constituent countries of the common market should have its own nominal central bank to act as government bankers, and that these should come together for certain purposes such as operating the Exchange Equalisation Account as a common market central bank. It is also proposed that the bank of Wales would be the custodian of the National Debt for Wales. The detailed relationship between the Welsh bank and the central bank of the common market is a subject for negotiation at the setting up of the Welsh government.

Having demonstrated that there are restrictions on the room to manoeuvre in using economic regulators, I turn to the fiscal measures that are possible. We realise that indirect taxation on goods and commodities will have to be uniform, or at least within a limited range, throughout the common market. We believe that it could on some things vary up to 10 per cent of the taxation level, and the difference would be as valuable an economic regulator to the self-governing countries of Britain as it is for the Chancellor of the Exchequer today.

There would also be restrictions on the differences in direct taxation, particularly income tax, which would be permissible. Otherwise people might tend to move to

the country of lowest taxation. I believe that the restrictions thus imposed can easily be overstated, and that people are unlikely to move residence for a discrepancy of sixpence or a shilling in the pound on the standard rate of income tax.

Such taxes as the Road Fund Duty, S.E.T. and a host of others which are more or less geared to location, would be free to be adjusted by Wales in a manner that would not contravene the common market treaty.

Corporation tax is a little difficult. Clearly there would be enormous advantages if Wales were able to have a lower level than England and thereby attract industry. However, it is a little naive to think that England would accept such a prospect. Clearly there is a need for the different governments to act together to some extent in this matter.

It is my estimate that on existing taxation patterns a Welsh government would be able to adjust its budget income by up to £50 million per annum without disrupting the common market. As an economic regulator, this is a significant proportion.

Furthermore, a Welsh government would have reasonable freedom in allocating its budget expenditure, and, within limits agreeable to its common market partners, could deficit budget in order to stimulate economic growth.

A Welsh government could, for instance, give greater priority to expenditure for developing the economic infra-structure than to defence expenditure. Again, it would regard the establishment of Welsh links in international air travel as more important than running extravagant embassies overseas.

As far as the budgetary side is concerned, there is not time to go into great detail but I would like to point out one or two facts. The gross national product of Wales was approximately £1,310 million in 1964, which is equivalent to 4·5 per cent of the gross national product of the U.K.

We can calculate from the information available, and from certain inspired guess-work, that the Welsh government would have a current account income of about £540 million a year. I stress that that is the current account revenue of the Central Government, and not to be confused with figures issued by the Welsh Office, which represent not only current and capital accounts of central government, but also

current and capital accounts of local government. We are talking about only one part of the figures issued by the Welsh Office.

We believe that by taking certain measures, the main one of which is a change in defence policy, it is possible for the Welsh government to maintain the current level of grants and services on the current taxation revenue raised in Wales, and not only this, but also to finance the building up of the Welsh government structure. We believe there is a certain amount left over that it would be possible to divert to the development of the economy. This is a complex matter, and as you have stated, my Lord Chairman, perhaps would be best dealt with at a future session. All these proposals, as has already been implied, bear no element whatever of restrictionism. Free movement of goods, capital and people is proposed, and the Welsh government would actively seek to attract expertise and capital from all over the world. This is not introspective. This philosophy really represents the determination of Wales to move forward by her own efforts.

CHAIRMAN: Thank you. As I have said, we intend to concentrate on the non-economic issues today, and I will ask Mr. Douglas Houghton to start.

130. MR. HOUGHTON: I am a little perplexed at the state of Welsh political opinion on this matter. I am a politician. As a political party you are an educative and propagandist body and a vote-winning body, and that is what politics are for. I am told that Commissions do not just think up the answers out of their own wisdom. They must do so after listening to the evidence, and that is what we are doing. When listening to the evidence we want to know what strength lies behind the evidence. My own philosophy about this would be that independence is not won by academic arguments and considerations of administrative advantage and efficiency, but it is won by the irresistible passion of those who demand it. Where is that passion in Wales today? That is the question I put to you. What is the electoral strength, what is the spiritual strength, what is the political strength behind what you have been telling us this morning?—MR. GWYNFOR EVANS: I am tempted to invite Mr. Houghton to our platform! It is fundamental that you awaken this demand, this reasonable and yet passionate demand for self-government. This has a long history, and one cannot afford to ignore history, but the demand did not start with the

establishment of Plaid Cymru. The aims of Plaid Cymru were supported by both parties which represented most of the Welsh seats at the beginning of this century. Every seat but one was held by the Liberal Party at that time, and a measure of self-government for Wales was part of its programme. Subsequently the Liberal Party was displaced by the Labour Party. At the last general election 32 of the 36 Welsh seats were held by the Labour Party. One of its greatest Secretaries, Arthur Henderson, said that if Wales had self-government, Wales could become a Utopia among the nations. The Labour Party believed this very strongly, but they did nothing about it, and it was this which inhibited the growth of the independent political party. When it started it had to face tremendous disadvantages. It started with six people from scratch, and had to win people one by one, in the teeth of the opposition of the entrenched political parties and also in the teeth of all kinds of difficulties. For instance, it is only three years ago that for the first time we were given five minutes to put our policy before the Welsh people on television, and even now it is only five minutes. If it was a real democracy which was willing to discuss these matters, if the Government were anxious for the people of Wales to know what we were saying and to discuss matters intelligently, they would make it possible for us to put our voice on the mass media. They have published a ban on party political programmes in Wales, and we are up against that. At the last general election we had five minutes. We did not have a single item on news bulletins, and the other three parties had a great deal. That we have made progress at all is astonishing, and the progress that we have made shows what a considerable demand there is in Wales for this. This demand is shown by our growth in the last three years, which has been, in terms of Welsh history, phenomenal. Plaid Cymru is probably the biggest party in Wales, and we are convinced that we will have a considerable measure of electoral success in the next general election, despite all these difficulties. We know the opinion in favour of self-government is not solely found in our ranks, but in the Liberal Party and by a majority in the Labour Party. We know from public opinion polls that there is a demand amongst the majority of the people of Wales for an extensive measure of self-government. Our job is to do what Mr. Houghton expects to see, to make this demand effective and passionate. We are trying to do that, and I hope that the willingness of the Commission to accept publicly our evidence today will be of some assistance.

131. But yesterday afternoon we were listening to Lord Ogmore on behalf of the Welsh Liberal Party. Their version of self-government for Wales differs in many important respects from the proposals you have made to us this morning. There may be other representatives of political opinion in Wales who will give us their own version of what they think Wales should have. We must concern ourselves with what you propose, with its distinctive pattern from that recommended yesterday afternoon, and possibly distinctive also from that recommended by other political parties. So I put it to you that, since you make a separate appeal to the electorate of Wales, it is still relevant to our consideration to know what the size of your platform is. How many votes did you get for Plaid Cymru at the last general election?—We had 70,000 at the last general election, but after the general election we won a seat in Carmarthen, and in two following by-elections reduced the Labour majority. In the Rhondda the Labour vote went down from 19,000 to 12,000 and ours rose from 2,000 to 10,000, and in the other case the Labour vote fell from 26,000 to 16,000 while ours rose from 4,000 to 14,000.

132. CHAIRMAN: What is the highest percentage of the total poll that Plaid Cymru has polled?—It is 41 per cent.

133. Where was that, and when?—DR. WILLIAMS: Caerphilly.

134. Can you give me some other figures?—39·6 in Rhondda and 36 in Carmarthen.

135. Has there been an occasion when it has been a majority?—MR. GWYNFOR EVANS: No.

136. Then how can you have a majority of people of Wales supporting your views?

—I referred to the public opinion polls which have been organised by certain sections of the press, and which have shown that something like 60 per cent of the people of Wales favour a measure of self-government.

137. A measure of self-government is something very different from the proposals you have been putting. It could mean the proposals of the Liberal Party, it could mean a great many different things. What quantitative evidence is there of the support for your proposals for complete independence?—at the last three by-elections 36 to 41 per cent.

138. Do you exclude the possibility that there might have been some element of protest against the Government in power?—There always is.

139. Therefore one ought to deflate these figures a little and put it against positive support for your own proposals?—I think that these figures have to be put against the general political position. I think we have not been in a position to put our policies before the people in the way that they should be put. The difficulties of communication have been immense, because we have not had access to the mass media, but when we do get access to people, I understand they are for us. I took part in a television debate with Lord Ogmore some time ago. The B.B.C. had arranged three audiences to vote on this debate and about 70 per cent of the audiences supported a measure of self-government, but the majority supported our policy.

140. In fact what you are saying is that in other circumstances there might be, indeed you are asserting there would be, majority support, but that is not quite the same thing as saying there *is* majority support.—I am saying that I think there would be majority support, and that is a very relevant and important statement.

141. It becomes a statement of opinion rather than fact?—Yes, but in the Welsh situation it is generally believed, for instance, that we are in favour of economic separatism. That is what is said on all hands at the moment, and yet that is not the situation, as you have heard this morning. A distinguished member of this Commission thought that we were in favour of it. Perhaps even those who are interested in politics do not know our policy. This is due to the lack of democratic free speech in our country, and this is very largely the responsibility of the Government which has imposed this ban.

142. MR. HOUGHTON: I want to follow up this point of representative opinion, because Mr. Powell said—and I took his words—that when the will of the Welsh people is expressed, he hoped that the Parliament at Westminster would take full notice of it. Am I to infer from that, that the will of the Welsh people has not yet been expressed?—It is being expressed through all the political democratic processes we have, but it has not had the opportunity of expression purely on this issue in general elections, or even by-elections, for that matter. The central issue in the general election is not this, and we cannot make it so because we do not control the press, which is an English press, and we do not control television. It is the issues put forward by the political parties which become the issue of the election. We have to go in the interstices of this pattern

with our policy, but if you had a referendum on this issue, putting to the Welsh people whether they want or do not want self-government, then I would accept that as being their answer on this question. But the Government is not willing. When a measure proposing a referendum was put before Parliament some months ago it was overwhelmingly rejected, and the Government itself opposed it.

143. All you are telling me in reply to this question is that if the will of the Welsh people has not been expressed yet, it is because difficulties have been put in the way of this expression. You have not had enough television time, or you have been given short notice to put your policy before the people. I would have thought that people who passionately believe in what they want do not wait for television time that they do not get, they go on to the streets and they demonstrate. People do not wait for the democratic process if they have something welling up inside them that they want to get out. I have not noticed that we were welcomed here by a large crowd saying, "Independence for Wales: Plaid Cymru for Wales". I do not think there was a single person outside who noticed our arrival. When I went on the Round Table Conference for Malta some years ago a huge crowd waited outside to demonstrate their views. None of this occurred here. Is it that you are too respectable? But let me get on to a calmer note. To what extent does this demand to which you refer rest upon the balance of considerations? We have been listening to a great deal of economic argument, and I have an important question on that in a moment, but is your demand for independence conditioned by being able to satisfy yourselves and other people that economic advantage will flow from it, or at least that there will be no significant economic disadvantage? To what extent is your approach to this politically and economically balanced and not resting upon this inner passion I mentioned earlier?—Our case is fundamentally a moral case. We are a nation, and we say that whatever the economic consequences would be we should be a self-governing nation, but we have to work within an economic context and work responsibly. We have to show people what the economic consequences are likely to be. We have been trying to do that and honestly produce facts and figures which will assure people of the nature of the economic consequences. We in Wales have had terrible economic experiences. I am old enough myself to remember what happened in the years of the depression, and one cannot go to people and expect

them merely to accept your moral arguments. I know of no country in the world where the purely moral issue has been sufficient, but everywhere it has had to be allied with the economic case as well. We are trying to do that, to put both things together, and tell the Welsh people that they must have political control, and that political control will give them the opportunities of developing their economy in a way which would give them a decent standard of living and give their children work in their own land.

144. Are you telling the Commission that the Welsh people do not feel sufficiently identified as a nation, as a people with culture and language and history and traditions, to demand independence for its own sake?—Yes, I think that is true, but that is true of all people in the history of the world. I do not know whether members of the Commission would know an exception to this?

145. If Wales were in Africa would these considerations be nicely balanced on the economic factors?—I think they would be. In every case I know of, economic cases have been put forward, and more often than not given first.

146. I know of no country which has withheld its demand for independence solely on the difficulties of the economic future, though they have usually got independence with the financial or economic accommodation needed to enable them to face the future as a viable economy. Do you not feel as deeply as that?—Indeed yes. The evidence that has been put forward this morning indicates that we can show the people that it probably will be viable. —MR. WIGLEY: If you look at Hansard for the 14th February 1969, the Government held that a referendum on the issue of self-government for Wales was out of order because the facts were not known and that the right way to approach this is to do what they have done, to set up a Constitutional Commission to find out the facts. We are refused a referendum on the basis that the facts are not found out, and when we get a Commission to find the facts, they will still not take any notice because of a lack of voiced opinion. Perhaps we are in a somewhat difficult position! I would refer you to what happened in the early fifties when there was a petition for the self-government of Wales which approached a quarter of a million people, and 80 per cent of those approached signed it. It was led by members of your party, by Lady Megan Lloyd George and others, and members of all of them, and yet the Bill which was brought before the House of

Commons in 1954 was defeated overwhelmingly. This was the voice of Wales, it was the voice of public opinion clearly identified, and the demand was quite clear and explicit, and yet this failed. I would like you, with permission, Mr. Houghton, to follow this up, and explain how we should be getting clearer the evidence of the demand of Wales than this.

147. It is not for me at this moment to suggest ways in which you should fulfil this need for expression of Welsh opinion. If a Welshman cannot find ways and means of expressing his mind it is not for an Englishman to tell him.—I contend the expression is already there. It is quite clear.

148. Is it clear? That is the question I am asking. I think at the moment, from my own point of view, it is not clear. But may I now come to the fundamental question of economics? Does it make any difference, does it weaken your demand for independence for Wales, if it can be shown that at the end of the day you would still be dependent on grants in aid from an English government?—DR. WILLIAMS: In our consideration of the model of a Welsh state as we propose it, we have not assumed any grants in aid from the English government. On the evidence available we have tried to assess what the fiscal resources of Wales are, to identify the areas where the Welsh government will be able to make decisions, and to estimate the support it could give to social matters and to economic development within that budget. We certainly would not claim that governing Wales would be an easy task. We are very well aware that when we talk of Wales governing itself, we must be prepared to take part in that government. Our position would contrast with that of many of the countries achieving independence who are economically backward, when I imagine that major changes and major upheavals could go on at the centre, but the life of the villages would be affected only marginally. We live in a complex economy. In Wales we have one plant that employs 16,000 people. In an economy as complex as that, we have to do the sums and make sure that we have the responsibility which is required to inherit a complex modern economy. We have assumed that when we achieve our self-government, we shall stand on our feet. We do not promise to the people of Wales that everything will be easy. We do not even promise that things will necessarily be better. We say that we will have the chance to take certain measures, to take certain decisions, but we responsibly recognise

that we are a complex modern technological society.

149. Were you here when Sir Goronwy Daniel told the Commission that the total of identifiable expenditure in Wales in Table 2 on page 15 of the Welsh Office evidence had to be raised from £405 million to approximately £700 million? Does this new total affect your judgment, as given in Mr. Wigley's evidence, that an analysis of taxation revenue currently raised from Wales would show that Wales could maintain its present level of expenditure? What do you estimate the Welsh government revenue to be at current levels?—MR. WIGLEY: We estimate the Welsh central government revenue, at current levels and on 1967/68 costs, to be £540 million on current account. The new figures brought forward yesterday were not money spent in Wales additional to that mentioned earlier, but money identified as having been spent all along. What we tried to do in our assessment of the financial position was to estimate, sometimes even "guesstimate", figures that are not in existence, and now that he has more figures in existence we can compare these, when he eventually produces the breakdown, with the ones we have put in.

150. MR. HOUGHTON: The Chairman made it clear yesterday that £300 million was newly identified, and not additional, expenditure. But at the same time on the other side of the account we want to see the identifiable revenue to match this expenditure. Have you got an identifiable revenue which will not only meet that, but leave you with a surplus as you suggest in your paper? (MR. HAYDN REES): Surely the figure that Sir Goronwy Daniel put in yesterday related to a different year?—The main point is that the figures Sir Goronwy Daniel brought forward were related to both current and capital account of central government and of local government, while our estimate of £540 million is based only on the current account for the central government.

151. MR. HOUGHTON: You have not got a total to match the identifiable?—The £780 million we heard of yesterday, and we have not yet seen anything to back it.

152. I assume that it makes no difference to your own demand as a party for an independent Wales whether the economy can be balanced or not?—We are quite convinced on the facts known that we can establish the sort of government we want, and maintain the grants and services currently accepted in Wales from the central government in London.

153. One final question on the constitution. Do you see any need, having regard to recent events elsewhere, for a Bill of Rights to be written into the constitution of any independent Wales? Would you have a language problem? Would you have a minority problem? Would you in certain circumstances have a border problem? Would there be interests to be safeguarded under a Welsh constitution?—MR. POWELL: As you know, my Lord Chairman, the Government of Ireland Act does contain certain provisions protecting the rights of minorities, and those minorities are essentially religious minorities. There are no problems of that kind in Wales, and I do not think there are linguistic problems of that kind in Wales. I think that, given goodwill, the sort of policies that we intend to implement can work. With regard to the first part of your question, it may well be in this day and age that a Bill of Rights is right and proper. On the other hand, as matters now stand I think that the common law provides the protection that is necessary for the public. You do not hear very much of the Bill of Rights of the late seventeenth century, but that, of course, is still law. So far as our proposals are concerned, we expressly provide that the existing law shall continue. In conclusion, may I say that in the past there can be no doubt whatsoever that the monoglot Welshman in those days, the Welshman who spoke nothing but Welsh, suffered untold injustice. With that record in mind, we are determined that monoglot Welshmen who are unable to speak Welsh shall not suffer like disabilities.

154. CHAIRMAN: I am not sure I understood the last remark. If I heard correctly, you said monoglot Welshmen who cannot speak Welsh.—Yes, the monoglot Welshman. Inhabitants of Wales who cannot speak Welsh. May I perhaps develop that? Our view of who is a Welshman, and who is not, is certainly not based on racial grounds. Anyone who wishes to identify himself with Wales, as far as Plaid Cymru is concerned, is a Welshman. Indeed one of the paradoxes in the last general election was that the Welsh Nationalist candidate in one county was an Englishman. So far as we are concerned, anyone who wishes to identify himself with this historic community has a right to call himself a Welshman.

155. I think I now understand what you mean. You have no intention of oppressing 75 per cent of the population. I must say I think that is a very reasonable attitude! I would now like to come back to this question of the expression of the popular

will. The proposals that you put forward are very far-reaching. Of the various definitions that can be attached to loose phrases like self-government for Wales, they are pretty much the most extreme. At the least one must say that there are a great many people in Wales to whom these views are not acceptable, including all but one of the elected representatives of Wales. In circumstances of that kind what sort of expression of the popular will would in your opinion be necessary before these proposals could be put through? A bare majority on one occasion, or something more than that?—MR. GWYNFOR EVANS: We have laid down two conditions before we expect to be in a position to have a government which would embody the policy you have heard this morning. Those conditions are, firstly, that the majority of seats in Wales will be won by Plaid Cymru, and, secondly, that the majority of the people who have voted support the policies of Plaid Cymru.

156. On one occasion, one general election?—That is enough, we think, because this is not a sudden thing, it is building up. It has been building up for decades, and our growth has been comparatively slow in Wales. We have grown right through the years, and I regard the extent of that growth as being the ultimate test of the will of the electors.

157. How would you meet your second requirement, ascertainment of the fact that a majority of the people who voted for Plaid Cymru candidates who were elected did so in positive support? How would you know they were not trying to get rid of Mr. Houghton and his friends? —If they did that in a way which would establish government in Wales, they must be taken to support Plaid Cymru's aims.

158. I do not think that follows in the least.—This is the nature of our democracy. One assumes, one has to assume that those who support a political party support its policies.

159. I think that is plainly contrary to most of the evidence. It is often the case that when the voter votes, he is voting against something, but he might only be voting for you because you are the least objectionable. Would you not agree that for such a profound change as you are advocating some equally profound evidence would have to be produced?—I think that, from the standpoint of the Commission, what we want is that the Commission should examine our case on its merits. This is not solely a political question in the way Mr. Houghton has

put it. We have never had our case considered by any body which has been established by the Government in London. We think our case will stand on its own feet, on its merits, and we would hope that the Commission would look at it in that way. We are quite content to abide by the results in the general election. As a political party, we have to do that. We cannot expect any government to implement any kind of policy if it feels that the majority of the people have not shown their support. But I think we have the right to ask the Commission to look at our policies and compare them in practicability and viability; and if they do stand up on their own feet, on their merits, I think the Commission should say so.

160. That we will attempt to do. There is also the very large factor of what the Welsh people really think about it. If I were an English Nationalist—which I hope

I am not—I might be disposed to argue that I do not give two hoots what happens to Wales, and that it is for the Welsh to say. Therefore, it seems to me very important to know what Welsh people really think about it. I do not wish to put this in any hostile way, but I do think that our verdict is going to depend on the evidence that can be produced as to how many of the Welsh people really accept, not just some vague suggestion, but the specific and very far reaching proposals that you have put before us. Perhaps before we meet again you would consider this?—There should be a referendum on this matter and the matter should be put—purely this matter, no other matter—before the people of Wales.

CHAIRMAN: The history of referenda is that they are not a very subtle instrument for ascertaining views.

(The witness withdrew)

MEMORANDUM SUBMITTED BY MR. GWILYMP RYS DAVIES REFORM OF THE MACHINERY OF GOVERNMENT IN WALES

PART I

1. "The principle of Welsh Nationality", as Gladstone called it, is recognised in certain distinctive features of the government of Wales. The Anglican Church is disestablished, there is a Secretary of State for Wales, a Welsh Grand Committee in the House of Commons, a Welsh Council, a Welsh Planning Board and Cardiff is our Capital City. But until the last three years or so one could not discuss Welsh politics as one would French or American politics, for example. Wales was merely a sector in the struggle for control of the political system centred on Westminster. Apart from those areas where English influence and suburban values were strongest and wherein the Conservative Party flourished, the greater part of the industrialised and Welsh speaking Wales was Labour or Liberal in politics. The nationalist element was spread thinly over the country and placed its main if not its entire emphasis on the claims of Wales to distinct nationhood.

2. During recent years the scene has been changing rapidly and by today we see new coalitions of interest groups and men's minds are turning to the creation of new patterns in the political system. There is now a significant convergence of a number of trends in Welsh life: (a) a mood of bewilderment or fury on the part of the Nonconformist/Radical Welsh-speaking elders faced with social change; (b) a vigorous commitment of the young Welsh speaking intellectuals to the principle of the sovereignty of the Welsh nation; (c) a weakening of the traditional allegiance of the Welsh masses to the Labour Party; (d) a growing conviction that the machinery of our highly centralised system of government is too remote. Plaid Cymru seeks with some measure of success to give political shape to this convergence.

3. The striking fact of the 'sixties is change, the amount and pace of change. We have seen the powerful impact of the world-wide technological and cultural process upon traditional ideas and beliefs at the base of Welsh Society. The accelerating effects of change cumulate in less than a lifetime. The environment is changing with extraordinary rapidity and the pace will probably accelerate in the future. No one brought up as a Welsh speaking Nonconformist could fail to sense a mood of confusion and failure of confidence on the part of our elders as they failed to mould the present into old and familiar patterns and as they failed to accommodate themselves to the pace of change. Faced with this traumatic experience they singled out the institutions of government for criticism and sought refuge in a simple policy of preservation of traditional beliefs and habits.

4. As the older generation passes on a younger generation is coming to the fore which knows nothing of the heyday of Methodism or of the struggle against material poverty. This generation is in revolt against authority, although no doubt some of its activities represents no more than anti-parental revolt. In England this generation has marched against the American Embassy; in Wales a substantial part of it marches under the banner of Plaid Cymru. Bathed in victory on 14th July 1966, Gwynfor Evans acknowledged his debt, "We owe all this to the young people of Wales."

To many of our students Welsh and British interests are fundamentally different, are basically divided from each other by permanent factors, but are artificially held together to the benefit of England and the detriment of Wales by politics and politicians. The interests of Welsh nationhood cannot be reconciled with those of Britain. If Wales is to survive as a nation the link must be severed. Accordingly they are emotionally distant from the established order and even hostile towards it. And there are young people in Wales who are prepared for anything in the cause of Welsh nationhood; jail, disruption of private life and hardship.

5. The men of the South Wales valleys in the course of a long drawn-out struggle to defend human dignity created their own closely knit society. This society in turn created its own working-class organisations, its chapels, its Welfare Halls, its Miners Federation and projected the Labour Party on to the political stage. This is a proud community which values the principle of voluntary assent. Faced with the rapid contraction of the mining industry, of severe economic discomfort which brings them up sharply against the problem of the survival of their communities the people of these valleys are no longer prepared to give their allegiance blindly to their traditional party or to the existing system unless that Party or that system is seen to be overcoming successfully in the short term, the problems of adaptation in the economy of South Wales. The threat posed by change provides a powerful motive for radical reform.

6. There is a growing conviction that the machinery of government is too remote and this conviction may well result in a widespread sense of alienation and even cynicism. The numerous nominated advisory or decision-making bodies which have emerged since the end of the 1939-45 War are an inadequate substitute for democracy. The by-passing of local democracy and the shift of power to nominated bodies or to the Whitehall summit has weakened the individual's sense of responsibility for the formulation and control of decisions which affect his everyday life and which affect the community to which he belongs. It is therefore not surprising that whole communities take up a defensive attitude towards rapid change which emanates from agencies external to themselves. We live in an age of conscious commitment to change, but the machinery of government as we know it is inadequate to cope successfully with the process of continuous peacetime adaptation which is often both inevitable and right.

7. It has been argued that Britain's unity was largely forged by its conviction of external mission. With the disappearance of the Empire that sense of mission is withering away and we see the awakening of Nationalism in Wales and in Scotland. Outside its historical context the term "Britain" seems to lack meaning to a growing body of people who are bound organically to the Welsh nation. By today the general case for Welsh Nation-hood makes an undeniable appeal to many Welsh people.

It would appear to me that the essential nationalist case in Wales rests on three main arguments:

- (a) That the Welsh are a nation living in a compact territory, sharply defined by race, culture, social structure and possessing a language, sense of history, tradition and national institutions. But the powers of statehood are a pre-requisite for the development of national cohesion. The duty of all Welshmen is to make of the people of Wales a full nation in the modern sense with the fullest possible means of control over its resources so as to ensure the continued survival of the Welsh nation as a living organism to which the Welsh are organically related.
- (b) That the Welsh language which has expressed the thoughts and nourished the imagination of our people for centuries is losing ground. It is through this language that Wales has made its separate contribution to the European tradition. The Welsh language cannot long survive unless (i) it receives massive support, and the rightful source of such support in a modern society is the Central Government. (ii) to strengthen the economic basis of the Welsh speaking rural areas; but the Central Government is basically uninterested.

- (c) That Wales would be better off without the political union with England. This argument is based upon statistics showing that we have underused man-power resources, low activity rate and high unemployment compared with the U.K. average. It is also supported by the research studies *Social Accounts of the Welsh Economy 1948-52*, 1948-56 edited by Professor Edward Nevin; these studies, though hedged in with reservations and conditions, show that the Welsh Revenue produced a positive balance of payments in eight years out of ten.

In addition, the Nationalist is in a good position to give the convergence of the trends described above political shape. Time has not yet shaped it into final form.

PART II

8. I have described above what I consider to be the central features of Welsh Society in the 1960s. Some of these features may pass away, others will survive. The dominant feature which in my view will remain is the problem of adaptation to change; of how to give the individual a sense of collective responsibility for actions which affect his life. It has therefore become necessary to consider what reforms are required in existing machinery of the Government of Wales for the smooth functioning of our Society.

9. Improvements may be considered under three headings:

- (a) **The continuation of the existing system with the transfer of more functions to the Secretary of State for Wales.**

I consider that the establishment of the office of Secretary of State is probably the most important development in recent years. Nevertheless I believe that the office should be strengthened and that the following functions should be transferred to the Secretary of State: Education, all the powers relating to Agriculture in Wales and which are enjoyed by the Minister of Agriculture, Aviation in Wales and the Fire Service. However the transfer of more functions by itself would not meet the edge of the present criticism that men and women feel themselves unable to influence decisions which affect their lives.

- (b) **The establishment of a directly-elected Welsh Assembly to be responsible for the administration of certain services for Wales as a whole which would also be empowered to enact legislation in certain specific fields subordinate to Westminster legislation.**

Arguments for

- (i) Such an Institution would be a Parliament. A machinery inferior in status to a "Parliament" would be politically unacceptable to the Welsh Nationalist.
- (ii) That the emergence of Welsh nationalism has occurred at a time in history when the institutions of government which were evolved to meet the demands of an earlier age and different type of society have been subjected to great strains consequent upon the growth in the number, variety and complexity of modern social problems in an over-crowded island. An intermediary legislative institution has now to be built into the scale of institutions so as to give the people a greater sense of active participation in the government of the British Isles.
- (iii) That there is a growing concern over the inadequacy of the House of Commons to discharge adequately all the burdens with which it is charged. It has become overwhelmed with issues of general policy with the result that investigation of the Government's activities in detail goes by default. A separation of powers for legislative purposes would relieve the pressure and free the House for its proper role.

Arguments against

- (i) A division of legislative powers would add to the complexity of government and would confuse the elector.
- (ii) That a quasi-federal solution would introduce friction into society by super-imposing national differences upon society.
- (iii) That many people now consider Britain to be too small to be economically viable in the modern world. Centralisation is the only answer to its inherent weakness, but the de-centralisation which a quasi-federal solution would bring would mean dissipation of and obstruction to Britain's economic effort.

The arguments for and against this solution are finely balanced. I do not know the answer to the question of whether legislative functions can be divided successfully into two segments. One has, of course, the Stormont precedent which was a child of history, but that model is not at a premium these days. Although pressures are building up in favour of a Welsh Parliament, it is my impression that one could not at least at this stage carry the majority of the Welsh people in support of a quasi-federal solution.

- (c) The establishment of an elected Welsh Assembly to which specific executive powers would be transferred from the Central Government Departments or from existing administrative or statutory bodies, which could co-ordinate the activities of Local Authorities and which could take over the functions of the Welsh Council and the functions of other advisory bodies.

There are some who would reject such an Assembly as being unworthy of nationhood. On the other hand there is a substantial measure of support in Wales for such an Assembly, although hitherto it has been conceived of as the top tier of a reformed Welsh Local Government structure.

The advantages of such an Assembly may be set out as follows:

- (i) It would be a signal recognition of Wales' distinctive status as a nation. It would be a new Welsh National Institution uniting Wales into one strong administrative unit for certain specific services; it would draw on the best resources of the electorate and of the political parties and would bring a new impetus to Welsh life and provide a focus for democratic action.
- (ii) It would be a positive attempt to evoke the forces of agreement in Wales, to evoke the assent of the citizen to change by encouraging the greater involvement by the Welsh people in the process of the government of Wales.
- (iii) It would replace the existing nominated advisory and decision-taking bodies which stand apart from the pattern of democratic government.
- (iv) It would provide a ready-made machinery which could be given responsibility in future for a service on an all-Wales basis where co-ordination, financial strength and a large catchment area are paramount for efficiency.

A reform along these lines would serve a dual role. It would be a piece of radical devolution meeting the needs and the aspirations of the Welsh people at the present time. It could be an experimental foundation for a domestic Parliament if experience showed that such a Parliament was necessary or desirable.

Radical developments affecting national structures are usually some distance ahead of public opinion, but yet within reach of it. The only institution to my mind that would meet the present climate is an elected Welsh Assembly.

PART III

MODEL OF AN ELECTED WELSH ASSEMBLY

10. (a) Powers and functions

The reform has to be fundamental if it is not to be ineffective and the Assembly must be strong enough to be a new focus for pride in the achievements of the Welsh people. It is therefore proposed that it should be mandated to discharge the following specific executive responsibilities:

- (a) The development of health service, including the ambulance service in Wales. (See Appendix for detailed provisions.)
- (b) The provision of higher technical education, the youth service and facilities for handicapped children and the functions of the Welsh Joint Education Committee.
- (c) The preparation of a physical development plan for Wales.
- (d) Water conservation and public water supply and distribution.
- (e) Possibly the functions of BOTAC in Wales. (The power to divert resources from the wealthier regions to the poorer regions pre-supposes unitary authority over all the parts of the U.K. Full devolution of this authority—whilst paying lip service to regionalism would defeat any benefits in this particular field. But the transfer of BOTAC functions would not affect this.)

- (f) The functions of the Welsh Rural Development Board.
- (g) The promotion of the tourist industry in Wales.
- (h) The promotion of the Arts and of Sports in Wales.
- (i) The Fire Service.
- (j) Aviation in Wales.

In addition, the Assembly would collect data, undertake research and the investigation of major Welsh problems. It would also take over the advisory functions of the Welsh Council and the Government of the day would turn to it for advice on the impact of Government activities on the general life of the people of Wales.

The Assembly would establish permanent Committees or Boards for the purpose of discharging its executive responsibilities and they would function as agents of the Assembly.

(b) Membership of the Assembly

It is proposed that the Assembly should consist of 72 members—2 members for each of the existing parliamentary constituencies—elected by the people for periods of 3 or 4 years. The use of the existing parliamentary constituencies might lead to opposition from the Westminster M.P.s to an understudy in their own constituencies, but the device of multiple member constituencies would probably meet this criticism.

It has been argued in some quarters that only half the membership should be directly elected and the remaining half should be nominated by the County Councils and the County Boroughs but unless the Assembly is to be charged with the responsibility of co-ordinating the work of the Local Authorities there would appear to be little merit in this argument.

The Assembly envisaged in this paper would be positioned in between Whitehall and the Local Authorities and it might be appropriate to allocate one half of the seats to the Members of Parliament, save that a Member of Parliament would vacate his seat in the event of his being appointed a Minister at Westminster and an election would be held to appoint a member in his place.

However I am not attracted by the concept of an indirectly elected member. The responsibilities of the Council and its standing Committees would be heavy and I would hope that it would be an outlet for the energy and ambition of the most able and responsible citizens. Since we cannot rely on good government on the cheap adequate salaries should be paid to the members together with expenses.

(c) Membership and appointment of Standing Committees or Boards

It would be absolutely necessary for membership of the Standing Committees to include persons with professional expertise and it should be obligatory upon the Assembly to nominate such persons (possibly with the approval of the Secretary of State) to serve on the appropriate Committees.

In strict legal theory the relationship between the Assembly and the Standing Committee or Board would be one of principal and agent, but in practice it would be one of "sympathetic negotiation" between the non-expert and the expert. The Assembly being the elected representatives of the people would determine the solution which it required, but the Committee would be the planning body working out the set of choices open to the Assembly to achieve the desired result. This would bring the planning process under democratic control.

The Assembly should have the last word. The Chairman of a Standing Committee should have a right of access to the Secretary of State, but should not have a right of appeal to him.

10. The reform advocated in this paper need not necessarily have far-reaching financial implication. The exchequer grants now paid to the existing agencies would be paid to the Welsh Assembly and earmarked for the appropriate service.

However, if the Central Government contributes the substantial part, if not the entirety of the Assembly's revenue this would effectively circumscribe the Assembly's activity. Ideally the Assembly should be funded in such a way that would give it a measure of freedom of action. It could be argued that an amount not less than about 45% of its total expenditure should be levied and raised by the Assembly itself and the remainder should be available through the Exchequer funds. This, of course, would have important and far-reaching consequences. I am not properly equipped to deal with this aspect of the proposed reform.

APPENDIX

12. I will now examine in some detail the existing health service and suggest the principal health functions that could be transferred to a Health Board of a Welsh Assembly.

The National Health Service is divided into three parts; the hospital and specialist services, the Local Authority health services and the general practitioner service. In Wales the teaching hospitals are administered by the Board of Governors of the United Cardiff Hospitals; all the other hospitals and specialist services are administered by the Welsh Hospital Board and fifteen Hospital Management Committees. Criticism of the National Health Service has been directed at this tripartite division. The Green Paper, entitled *The Administrative Structure of Medical and related services in England and Wales* published in 1948 by the then Minister of Health accepted this criticism and proposed the unified administration of the Health Service by a single-tier structure for areas and population of about one and a quarter million. The Minister appreciated that special consideration would have to be given to the position in Wales, but he did not elaborate on this.

The Welsh Hospital Board agrees that the division of the Service into three parts is a fundamental defect. The Board is also of the conviction that appropriate welfare services such as residential homes for the aged and physically handicapped now administered by the Local Authorities should, contrary to the view expressed by the Seebohm Committee, form part of any unified Health Service. However, the Welsh Hospital Board was unable to support the Green Paper's concept of a single tier Area Board serving a population of about one and a quarter million. Such an Area Board without a second tier would be far too remote from the hospitals and the citizen. Its remoteness would be such as to out-weigh its possible advantages. On the other hand the area of proposed Area Boards would be too small to formulate policies in respect of general planning matters.

The Welsh Hospital Board considers that there should be only one Health Board for Wales charged with the functions mentioned below with a second tier of say, six or seven district Boards responsible not only for day to day management of all other services within their areas but also for staffing matters and functions to be delegated from the Welsh Health Board.

It is proposed that the Welsh Health Board should be responsible for the following functions:

- (a) Formulate policies for the development of the health services in Wales and implementation of same;
- (b) The building of new hospitals and additions or improvements to existing hospitals, residential homes for the aged and physically handicapped, hostels for the subnormal and mentally ill, workshops or training centres for the physically or mentally handicapped;
- (c) The allocation of funds to the district boards;
- (d) Co-ordinating the work of the district boards in Wales;
- (e) Collection of data, undertaking research and investigations of Welsh medical problems;
- (f) Health education;
- (g) The Ambulance Service;

The Board would also be responsible for the following services:

- (a) Provision of and organisation of ambulance service;
- (b) Supplies;
- (c) Blood Transfusion;
- (d) Mass Radiography;
- (e) Public Relations Service;
- (f) Work Study and O. & M., Operational Research;
- (g) Architectural and Engineering Services;
- (h) Legal Adviser;
- (i) Staff Training;
- (j) Development of Regional Specialties such as Plastic Surgery, Heart Surgery, Renal Dialysis, etc.
- (k) Possible Regional Inspectorate.

It would make for administrative tidiness for the district boards to be coterminous with the proposed new local county authorities. On the other hand it would medically be more advantageous for their jurisdiction to follow the catchment areas of the district general hospitals; applying this criteria mid-Wales, which is without a district general hospital, poses a difficulty. But this difficulty could be overcome by allowing the local authority for that area to be represented in the adjoining district Boards.

12. This Memorandum is humbly submitted to the Commission on the Constitution in the hope that it may be of some little assistance to the Commission in assessing the position in Wales and what reforms in the machinery of Government of the Principality are called for.

MR. GWILYMP RYS DAVIES CALLED AND EXAMINED

161. CHAIRMAN: Mr. Gwilym Prys Davies is the Chairman of the Welsh Hospital Board, is well known to the Welsh broadcasting public, and I think is not unacquainted with the Carmarthen parliamentary constituency. The Commission of course has had your written evidence, Mr. Prys Davies. Would you like to make a general statement?

162. MR. PRYS DAVIES: May I, Lord Crowther? I will not detain the Commission long. May I first make it clear that this is my own evidence and I speak as an individual citizen of Wales, and not as Chairman of the Hospital Board. I would like, my Lord, to emphasise Part 1 of my paper. I am satisfied that there are deep forces at work in Wales today, and I think it essential that we start with an examination of those forces and that we get the diagnosis right. It seems to me, sir, that the striking fact about the 'sixties is the growing amount and accelerating pace of change which leads to strain and to the disintegration of existing patterns. I have in my paper grouped the manifold changes into four:

First of all, we see that the preponderant rural life of the past has given or is giving way to urbanisation.

Secondly, we see how the classical nineteenth century economic growth pattern in South Wales is eroding away.

Thirdly, we witness the emergence of government institutions operating in secrecy or semi-secrecy, and standing apart from the democratic pattern.

Fourthly, we see that nationalism is making an undeniable appeal to men and women in Wales.

I would have thought that the last trend flows in great measure from the first three. I accept that society has been changing ever since the Ice Age, and I would have thought that society has within itself, as it were, an inbuilt mechanism which enables it to adjust to change. What is important about the 'sixties in my view is

the accelerating effect of social and economic change. Whereas in the days of my ancestors they had generations to adjust to this change, now it happens in a lifetime.

I referred earlier, my Lord, to the disintegrating economic growth pattern of the last century. We see pits closing. Now at the pits people did not merely find a means of employment. Around the pit there grew a way of life, and a culture, so that when the pit closes it is not merely a case that men no longer find work in this particular village; we see the fabric of society being torn by this change. It is my view that society is unable to adapt itself smoothly to this rapid pace of change. I would think that at this stage we are touching a vast force which generates social action. If this is something new—and I believe it is something new—then clearly we cannot predict how this course of action will in future develop. We know, and we accept, that the change which is about us more often than not is inevitable, more often than not is right, but the people who are at the receiving end of the decisions feel that the survival of their community is being threatened.

Wales is a land of communities, and many people feel that the survival of the Welsh nation is at risk. If the Government in Westminster is committed, as it is committed, to conscious change in peacetime, then I think, indeed it is my conviction, that somehow or other we must give to men and women the opportunity of influencing those decisions at community level, at the lower level; and it is just this which in my view is lacking.

As far as the model which I constructed is concerned, it was hastily constructed. I would not wish to be too dogmatic about some of the functions which I would suggest for the elected Welsh assembly, and I think there is room here for argument. We would have to review each one of these subjects to see if it is an appropriate function for the proposed assembly, but

basically if we give to men and women the opportunity of influencing decisions, and at the same time if we create a mechanism that would strengthen Welsh nationhood, then I would have thought that we would have discharged our duty to our generation.

Finally, might I say that I think we want to be sure what we mean when we speak of a nation. A nation is an integrated community based on certain fundamental unities, possessing a tradition and a sense of history, and which enjoys certain national institutions which can strengthen its cohesion. The establishment of an elected Welsh assembly without legislative powers at the present time would be a new institution in which the Welsh people could take pride, and it would strengthen the concept of nationhood. So I think it would serve a dual purpose. It would reduce the mood of unease—and I find it when we come to rationalise the hospital service—it will strengthen the voice of the people. Equally it will strengthen the basis of Welsh nationhood, because here for the first time ever we will have an elected Welsh assembly answerable to the Welsh people. That, my Lord, more or less sums up my paper.

163. Thank you very much. Is there not, do you not think, something of a contrast between the various parts in your paper? In Part 1, to which you have called our particular attention, you describe in the most interesting way, and using quite highly coloured language, the forces working for change in Wales today. "There are young people" you say "in Wales who are prepared for anything in the cause of Welsh nationhood; jail, disruption of private life and hardship." I quote that as an example. This is a fairly impassioned plea for radical change in the government of Wales. Later on when you come to make proposals, however, after discussing the possibility of an elected parliament and government—and, though you do not particularise very much, I take it what you have in mind is much closer to the ideas put forward by Lord Ogmor yesterday than to those put forward by Plaid Cymru this morning—you come to the conclusion that "Although pressures are building up in favour of a Welsh parliament, it is my impression that one could not at least at this stage carry the majority of the Welsh people in support of a quasi-federal solution." I am not for the moment challenging the correctness of that statement. Therefore you come down for an elected Welsh assembly which would not have legislative or governmental powers. The proposal you are putting forward, if I do not misunderstand it, is that the law should be made in Westminster,

that policy, and indeed the appropriation of money, should still be made in Westminster, but that there should be an elected Welsh assembly which would oversee the execution of those policies, not merely those that are now embodied in the Welsh Office, but the long list of other institutions that you give in your evidence. Now if the pressures for change in Wales are as great as you describe them in the beginning of your paper, and if the feeling in favour of radical change is as passionate as you say, is it likely to be content with a solution of that limited kind?—I do not think that there is, with the greatest respect, a contradiction between Part 1 and Part 2. I have described, sir, the mood amongst a substantial group of young Welsh people at the universities, and it is a fact that they are prepared to put up with a great deal of personal discomfort. I go on then to speak about the situation in Wales generally, but I would have thought that the young people are ahead of public opinion in Wales at the present time; and one cannot really predict how public opinion will develop. While I am satisfied that at this stage one can carry the majority of the Welsh people in favour of an elected assembly, I say in my paper that this need not be a final solution. It could be the basis for a domestic parliament, should experience show that to be necessary or desirable. I am seeking what I consider to be attainable, and capable of winning the support of the Welsh people within the next five years, in the lifetime of a new Government.

164. Would it carry the support of the Welsh people? One can envisage perhaps considerable interest and enthusiasm for the inception of such an assembly, and in the nature of things, simply in the machine of administration, it would find a great deal to do, but if it wanted to alter anything of substance in things as they are now, it could not do so. Might it not produce, not the support of the Welsh people, but a feeling of frustration? You understand I am not asserting anything, but asking a question.—Yes, but I go back to my basic analysis, that people feel that they have no influence whatsoever over policies and decisions which affect their daily life, such as the closure of a pit or the withdrawal of a hospital service. The process proceeds in semi-secrecy, and at the end of the day people are told that the facts impose this or that solution. What I seek is some machinery at this stage which will give people through their elected representatives an opportunity, certainly of understanding the change, and possibly of influencing the change. I am impressed at

the moment—I find it in my own field—with this tremendous tension that builds up between the providers of a service and the consumer. One way of reducing the tension is to get a better understanding of the situation. There is a growing concern among people that they cannot influence decisions, and this is linked with a broader concern for their own society in our valleys or in Welsh-speaking Wales; I think that Plaid Cymru are in a position to give direction to the convergence of these trends. But if we establish a government in Cardiff and in Edinburgh, we will not be isolated from the world, from technological processes which would still affect the self-government of Wales or Scotland. These are the facts of life. But what concerns people is their total failure to influence events, and being told that the facts impose a solution. It may well be that experience will show that we have to go beyond the stage I have proposed, not necessarily to legislative powers straight away, but that somehow we should get our hand on the purse. There is possibly more power attached to the purse than to Acts of Parliament. Maybe the second stage of the development if this elected assembly cultivated roots in Wales, if it attracted the respect of Welsh people, would be to give it power to assess the overall needs of Wales in terms of public expenditure, to assess the priorities, and to allocate the resources to meet those priorities. The third stage might well be to give it legislative functions. But the point I am immediately concerned with is the need in Wales of seeking a solution in the short-term.

165. You see it then as an organ of expression?—And possibly of influence.

166. An organ of expression and of influence. I know the argument from historical analogies is limited, but can you give me a case in historical experience of an elected assembly being content with the role of expression and influence? Is it not more likely that instead of reducing tension, it would increase tension?—My Lord, how can I go back to history? The essence of my point is that we are now faced with change, a momentum of change which our ancestors never knew. We are in a new situation, we are without precedents. Therefore this calls for creating a solution that would deal with the facts of today, and history does not help me because this situation is without precedent.

167. MR. HAYDN REES: I think we should say first of all that Wales is indebted to you for the drive and initiative that you have brought to the Welsh Hospital Board already since your short time there. Is it

your first plank that you immediately go to an elected assembly, or is there a first step before that, an extension of devolution, as in Scotland, to Wales?—Thank you for your kind words. I certainly envisage further administrative devolution to the Welsh Office, but I would like to see this elected Welsh assembly—without legislative power, that I accept—and to see it established within the lifetime of the next Government.

168. Perhaps you were not here when Sir Goronwy Daniel answered questions yesterday. He said he felt that we ought to take these things step by step, and that the next step would possibly be that the Welsh Office would take over education, full agriculture policy, and so on. Would you not agree that that would be a good thing to start with?—No, sir. I think I am putting forward the basic minimum, if I may say so. From the *Western Mail*, I understood Sir Goronwy to say that it would be about two or three years before in his view one should devolve further authority and functions to the Welsh Office. I am speaking of progress within the lifetime of the next Government, and I would have thought that this devolution to the Welsh Office should take place at the same time as the building up of an elected assembly.

169. If we had devolution to the extent that Scotland has immediately—and I think the Prime Minister said in his speech in the House of Commons that he does not rule out interim measures taking place—you would not object?—I certainly would not object.

170. You go on in your next step to the elected council—is that your next step?—Yes, sir.

171. What troubles many is the question of representation and the balance of representation, and this troubles you too, because you have given a page or so to it. You suggest that half the members of the elected council should come from county councils, but you then quietly abandon it. Would you like to go back on that and think that because of the imbalance that is bound to arise in representation between Mid, North and South Wales, it would be of advantage to have county council representatives there to make that balance a little more respectable?—I considered the possibility of having half the membership of the elected assembly being indirectly nominated from county councils, but that was not to meet the point which you are making. In my view there should be no loading mechanism. I think I suggested 72

members, and that should be on the basis of two members for each of the existing parliamentary constituencies.

172. Would you find the danger that there would be pressure groups here again? Lord Ogmore mentioned yesterday as an instance that factories went where the pressure groups could make them go. Is there a danger that pressure groups in South Wales—and I speak of South Wales although I come from North Wales—would be so strong that the rest of Wales would not get fair representation of what they want?—No, I think myself that this fear is exaggerated. My experience has been that when I have found men and women serving as members of an all-Wales authority they gradually take a global view of Welsh needs. You may say I am optimistic, but that is my experience.

173. Our experience leads us to think otherwise. Take the W.J.E.C. as an instance. If you talk to people from North Wales you will find they say that when they have been trying to get something for North Wales—take the polytechnic as an instance—you get one polytechnic going to South Wales, and the Ministry of Education or the W.J.E.C. say that North Wales cannot have one because they have not sufficient population. The net result is that people from North Wales, if they want a polytechnic education, have to go out of Wales. Does that strike you as being a good thing? These are pressures, it seems to me.—Certainly there are pressures, and indeed I am impressed by the fact that so much of the time of the government process is taken up in placating this group and that group. I would have thought that it is high time that we tried to move forward to government by consent, government by agreement, and not necessarily placating this group and that group. If our time is to be taken up in placating this and that group, then we will make very little progress.

174. May I now refer to the powers that you envisaged the new elected assembly would have? I am helped to some extent by the fact that you have said in your general evidence that this was hastily got together, and that you might want to withdraw some parts. My concern is that devolution, as I understand it, should come down from above, and there is tendency in your paper to take powers from below. You mentioned earlier that small communities were important. Why therefore take power away from them? Would you agree with me that you would like to re-think this and, in general terms, that some of these powers should possibly

remain with local government?—Yes, I certainly would not be dogmatic on this particular aspect. I think what is more important is that the agencies which affect the lives of men and which now stand apart from the democratic pattern should be brought subject to democratic control.

175. PROFESSOR LLOYD REES: I will content myself by commenting, Mr. Prys Davies, that Welsh society is very much a Welsh broth, especially perhaps here in the south. We have had, for instance, in the course of recent history the establishment of great industrial centres, and the sons of farmers from Cardiganshire marrying daughters of farm hands from Somerset, so that society in the Principality has really been in a state of great flux in the last 150 years or so. Would you have any desire to try to freeze the pattern of this change into its present mould?—The last 150 years? I would accept it as going on for very much longer than that. If a young man voluntarily wants to move away from his locality, so be it; but there should be no necessity for him to move away. Secondly, we have a great love for the Welsh language, we want to see that language survive, and I would be prepared to see us taking action to strengthen the economic basis of those communities where the Welsh language flourishes, only to that extent would I freeze the pattern of change.

176. Then I ask a general question, because you do not particularise too much on the assembly. Would you be content, in the first instance at least, for the assembly to receive a block grant from the Westminster Government to which it could then apply its own system of priorities and expenditure?—I am not really competent to deal with the economic arguments of financing the elected assembly. We could certainly argue that the funds which are now paid to the respective agencies should in future be directed to the elected assembly, and basically this would be a matter of redistribution, but I am really not satisfied with that solution, because I think it would circumscribe the assembly's activity. I would like to see the assembly funded in such a way that it would have freedom of manoeuvre. I would have thought that it could be argued—but here I am no authority whatsoever—that as much as 45 per cent or even 50 per cent of the expenditure should be levied and raised by the assembly itself. The mechanics of this is another matter. I am not quite certain how much money is collected by S.E.T., for instance, but you could argue that certain taxes which are raised in Wales at present and are paid over to the Exchequer

should go to the Welsh Council. The basic principle—and it is for men who are learned in this field to work out its implications—is that the assembly ought to have a measure of financial freedom. As I said earlier, the purse is important, and if the assembly could be formed in such a way that it would have a great measure of manoeuvre, I would welcome it.

177. You see, the thing is very much an open-ended arrangement. Where would your own personal predilections lie, that you go further along this path of independent revenue raising and expenditure?

—I think so. Of course, if this council were to be mandated to discharge health functions, that would involve a considerable expenditure, but if a formula could be devised whereby this council should somehow or other have an entitlement to X funds, originating from Wales, so much the better.

178. MR. GRIFFIN: You see Mr. Rees' proposals as a halfway house, as it were?

—Yes.

179. To what extent would you see the position of the Secretary of State affected by the proposals?—With the functions that this assembly would be discharging I would have thought that there would be corresponding devolution to the Secretary of State for Wales, and his duty would be to ensure that this assembly would discharge its duties, no more than that.

180. He would be accountable to Westminster?—He would, but I would have thought that this council would also be accountable to the people of Wales through their representatives, and he would be there to ensure that this assembly discharged its functions.

181. Do you see him, therefore, as a bridge between Westminster and the Welsh Council, or the British Cabinet and the Welsh Council?—Not necessarily a bridge, but he is there to ensure that this assembly would discharge its duties.

182. DR. HUNT: I am concerned about the relative powerlessness of your assembly. You were saying at one stage that one of the problems was lack of consultation, for example, about the closure of pits. How would your assembly prevent the closure of a pit?—I am not certain that this assembly *would* prevent the closure of a pit, but I would think that it should have very wide powers, in the same way as the Welsh Council to review the functions of the various Departments of the Westminster Government, and that should be done in public. I understand that at the present

time, if a pit is to be closed, the Welsh Council will report to the Department upon the implications of closure, but that again is in secrecy, or semi-secrecy, and the public know nothing of it. But I do not think that any Government could necessarily prevent the actual closure.

183. What I want to be really quite clear about is how a public talking shop without power would meet the needs of the Welsh people. I cannot quite believe that the sort of assembly that you are thinking of would actually be attractive to able men and women in Wales; somewhere where they can go and talk, but where they cannot make an impact on events. What would be attractive about that?—In the instance you have given, the assembly would certainly appear to be a pressure group and no more, but one would give it executive functions in certain fields, so that in those fields it would not be a talking shop.

184. Would they be executive functions in areas where policies had already been determined at Westminster?—Policies may have been determined, but in the application of those policies there is still room for manoeuvre.

185. SIR BEN BOWEN THOMAS: Since you propose that the Secretary of State for Wales should continue to function and receive possibly further powers in the course of the years, would you agree that this elected Welsh assembly, apart from the executive functions you have just mentioned, would tend to become a super advisory body to the Secretary of State? For instance, you have here as one of the functions water conservation and public water supply and distribution. I assume that, since the Secretary of State would obviously be involved as the political head of the Department, this is the kind of assembly that would be able to make representations of a very significant and high order to the Secretary of State about certain proposals that would have originated in Westminster?

—Certainly it would be a powerful pressure group in general, but when I suggested that water conservation and public water supply and distribution should be transferred to this elected Welsh assembly, I envisaged that it would not necessarily be a talking shop, but that the powers now vested in the Water Resources Board might well be vested in this Welsh assembly.

186. You do visualise the possibility of standing specialist committees attached to your assembly for particular purposes?—Certainly. First, one would have an elected Welsh assembly which would

basically be concerned with policy matters. Then as a second tier of this assembly, one would have a series of standing committees, or standing boards, that would be mandated with day-to-day management of those services within the overall policies established by the elected council. I think this is terribly important, that there should be this dialogue between the standing bodies and the elected council. The council would set out the particular policy which it wishes to achieve, and then leave the standing board, or committee of experts in that particular field, to work out the various solutions which would achieve the desired end. I think that relationship is important.

187. MR. TALFAN DAVIES: Mr. Gwilym Prys Davies, I am sure that you do not wish an elected assembly to become a talking shop as mentioned by Dr. Hunt? —Certainly not.

188. Let us view the reality of the situation. Assume that there are 72 members elected to this assembly, and that they are elected by the populace of Wales. There will be parties taking part in the election. Do you anticipate in this elected assembly a Government party and an Opposition party, and argument taking place as to what effective steps should be taken in respect of any particular problem? In my view, if an elected assembly is to have any value at all, you have to have the thrust of debate and decisions being arrived at after deliberation. Now how do you view the actual working of such an assembly? —Let us take a given subject, let us assume that health functions were to be transferred to this assembly. The duty of the Welsh Hospital Board as agent of the Secretary of State is to ensure we have a comprehensive service, and that is the basic principle. When you come to decide how you are going to provide a comprehensive service for a part of Wales, then there is room for argument. I do not think it is the case that there is only one answer to the rationalisation in a particular locality; there are various solutions. I would have thought that the assembly would argue the options,

and then it would be for the experts on the standing boards to see how the agreed solution is implemented.

189. I want now to return to accountability. How can you have effective accountability without some person, such as a leader of the Government party in the elected assembly, explaining why the proposal that he is bringing forward should be adopted, and the matter being argued? Unless you have that, with direction being given to the executive that the proposal should be carried out in accordance with the vote in the elected assembly, how can you achieve accountability? —I agree. The general assembly would work out the basic policy, and it would be for the executive board to work out its detailed implications within the limitations of policy previously determined after debate in the assembly.

190. I do not know whether you used the phrase that this is a radical change? —Yes.

191. Would you regard it as a radical change in the light of the Maud Commission's proposal for provincial councils in England, or would you regard this as a modest advance? —I am not very concerned whether we call it a radical modification, but I am concerned with securing an improvement on the present situation, which can be a basis for further advance.

192. In the scheme you regard it as fundamental that there should be a budget, a sum of money, whether by taxation or by block grant, to be administered by the assembly? —If we are to give it executive functions, clearly there must be a sum of money to be administered by it.

193. Because unless you have some control of a purse, whether large or small, your deliberations can be very ineffective —would you agree? —Yes.

CHAIRMAN: Thank you very much, Mr. Prys Davies, for your most interesting, and I would like to say very well written, evidence.

(The witness withdrew)

MR. GWYNFOR EVANS, MR. CHRIS REES, DR. PHIL WILLIAMS,
MR. DEWI W. POWELL AND MR. DAFYDD WIGLEY, CALLED
AND RE-EXAMINED

194. CHAIRMAN: We would like to start now with some questions on the cultural and linguistic side of your proposals.

195. SIR BEN BOWEN THOMAS: Mr. Gwynfor Evans, looking at the third paragraph of the paper you submitted, I wonder if your analysis is complete when

you tend to ascribe the most unsatisfactory position in Wales, and particularly the unsatisfactory position in regard to the Welsh language, to the British Government. The 19th century in Wales was a very remarkable century, I think you will agree, remarkable in the number of public leaders it produced and in cultural and literary efforts, remarkable also in energy, in what was regarded as acute social purpose, and in people who were wanting to do things. I put it to you that these people bear some responsibility. I wonder if you would agree with that?—MR. GWYNFOR EVANS: I am afraid it has to be admitted that the Welsh people willed the existence of the state in the form founded in the 19th century. It could not otherwise have been sustained in Wales, and it does rest upon the will of the people ultimately. Nevertheless, it was largely because of actions of the state that we have had this deterioration in the language and cultural situation, and this increasingly accelerating disintegration of the Welsh pattern of life. I have referred this morning in particular to the Education Act of 1870. Sir Ben will know, probably better than anybody else in this chamber today, what the effects of that Act were. It meant that we had imposed upon Wales a system of education that was not only non-Welsh, but was anti-Welsh. Not only was the Welsh language not used as a medium of instruction in the schools of Wales, it was not even taught in most parts, and often when children spoke Welsh they were punished. That was the spirit of the Act being carried out to the letter. Largely as the result of this measure—there were other reasons, I admit—we saw the accelerated anglicisation of our communities. At the beginning of this century according to the census in 1901, roughly two-thirds of the people of the Rhondda were Welsh speaking, in the next valley, Aberdare, three quarters, and nearly three quarters in Monmouthshire and Caerphilly, but the situation today is that about two per cent of the children in these valleys are able to speak Welsh. Had there been a system of education in Wales based upon Welsh cultural life and using the Welsh language, then certainly we would not have had that deterioration. Although the Welsh people must bear a share of the blame for accepting this position, the state simply cannot absolve itself from responsibility. It was an act of the state, that is the real point. Then one can take that a bit further. One sees it in other basically cultural institutions such as the national theatre, the national opera house, national symphony orchestras, national art galleries. We have not one basic institution in Wales. We have a very

fine opera company, but we have no opera house, and if you compare us with countries which are far poorer in material resources and which, I would say, have not any livelier cultural tradition than Wales, you will see how poverty-stricken we are. Everywhere these institutions are supported publicly, either by the state, or by small states like the Lander in Germany, but we have not had this kind of public support in Wales. If we had had a government of our own, it would have seen these institutions flourishing in Wales a long time ago.

196. I want to come back to the language point, Mr. Evans. Mr. Powell said this morning that of the five men in front of us here, only two were brought up in the Welsh language. There was a father and mother, and grandparents, involved somewhere, and they were Welsh people. Is it not true very largely that Welsh people have chosen, and are choosing, not to avail themselves of the use and knowledge of the Welsh language? I do not want to be personal, but here is Dr. Phil Williams, a very able man, who has confessed that he is still unable to converse in the Welsh language. There is a personal decision here somewhere, and it is a decision made by Welsh people. Would you not agree that we can go back over many hundreds of years in the history of Wales when Welsh people have deliberately chosen not to avail themselves of the use of the Welsh language? I was brought up in the Rhondda Valley, and my neighbours as a sign of their respectability chose not to use the Welsh language. Nobody forced them, but it was a status symbol that they spoke English with one another and brought up their children in English. The British Government is not involved in this at all. —I think the Government is very much involved in this, not only this Government, but all previous Governments that we have seen for centuries. What has happened is that the people of Wales have been conditioned by the kind of state we have been absorbed in. In 1536 and similarly in 1542, we had an Act of Parliament which integrated Wales in England, not Britain. This Act of Parliament also proscribed the Welsh language, and it is only very recently that this section of the Act has been abrogated. Since that time at least, the Welsh language has not had a status in public and official life. The Act simply stated those who used the Welsh language, unless they also spoke English, would not have any official position. I recall an instance in my own village in the middle of Welsh-speaking Carmarthenshire in the early years of the war, when two farmers were brought before their betters for not

having ploughed enough land. These two men had actually been thrown out by the War Office from where they had been farming previously, and they came to my district. They asked if they could give their evidence in Welsh, and the court, using its discretion, said yes. Every member in that court was Welsh-speaking—the magistrate, the clerk, and the policeman, they were all Welsh-speaking—but they said to the two farmers, "Yes, you can give your evidence in Welsh, but we must have an interpreter to translate what you say into English, the language of the court." They then told the two farmers, "There you are, you have been granted this great privilege of being allowed to speak your own language in court, and now you must pay for the interpreter," and they had to pay. In the courts in Cardiff and other courts in South Wales, there were Arabs speaking Arabic, Greeks speaking Greek, and other people giving evidence in their own tongue: they did not have to pay an interpreter, but the Welsh-speaking people in Wales had to do so. This was the situation and the state of Parliament, and it affected the spirit of our people. Our people tended to become demoralised, to lose all self-confidence, largely due to the actions of the state. We take part of the responsibility for this, but what we need now is to establish a Welsh state. It is only a Welsh state which will create the conditions in which our language can hope, not only to survive, but to become once again a language of the whole of the people of Wales.

197. Mr. Evans, you will not misunderstand, I am not trying to absolve the British Government of its share of responsibility, but I put it to you that we as a Welsh people must be prepared to take our full share of the responsibility. For example, as one who was involved at one time in educational policy, I think much has been done officially in educational circles to improve the status of the Welsh language in Welsh schools, to improve the production of Welsh books, to establish permanent ways and means of seeing that these should be provided. Are you prepared to put on the credit account of the so called English Government a sympathetic attitude towards the maintenance of the Welsh language?—Indeed, it has been a great help, and it is a fact that those who are in charge of education inside the Department of Education as civil servants have been far ahead of the public in Wales on this issue, and we thank them for what they have done. But we want to take this much further, and there are so many things that can be done to help things along. One example is the provision of language laboratories. There

should be a language laboratory in every secondary school and college in Wales, and they should be open to the public so that they can go there and learn a second language. I have been on the education authority for the last twenty years, and it is all a matter of numbers. This is an indication of the way our priorities are affected by the Government: a Welsh government would not have these priorities.

198. MR. TALFAN DAVIES: But do you not agree that the powers enjoyed by local authorities even today are sufficient to revolutionise the position? For instance, we had an example of a local authority only last week, in one of the best known towns in Wales, refraining from putting up place names in the Welsh language. Do you not think that an enlightened and cultured administration by local authorities could achieve a great result in this regard?—Certainly. We have a great deal of self-government in these matters, and we should be using it to much more purpose. Here the connection between local government and central government can be seen to be of a psychological kind. If we have self-government in Wales, it will make a great impact on the way Welsh people think, on the way they think about themselves and their country. They would be thinking more in terms of Wales and their loyalty to their country; they will be more anxious to see their country doing well and outshining other countries in cultural matters. We need competition of this kind. We can do things on a local level, but a government would give a new sense of purpose to our people. Its moral effect would be very great indeed, and it would be reflected in acts of policy.

199. SIR BEN BOWEN THOMAS: On the next page, in your second paragraph, you say—again dealing with the Welsh language—that you would expect the people of Wales to be given the opportunity to become completely bilingual within, say, 30 years of the inauguration of the Welsh State. Let us take a date: shall be take 1970?—That is a bit early perhaps.

200. Well, let us take 1970 as an arbitrary starting point; and 30 years added on to that is 2000. You expect that by the year 2000 the people of Wales will have become bilingual? Can you give the grounds for your expectation?—I think that by the year 2000 it is quite practicable to see every child of fifteen and under as bilingual.

201. CHAIRMAN: By what means, Mr. Evans?—Through the education system.

202. But Mr. Powell told us there is to be no compulsion.—No compulsion at all against the will of the people.

203. Let us explore this—there would be compulsion on the individual?—No compulsion as to the will of the community: this would be a common decision.

204. When Mr. Powell said this, I took it that no-one would be compelled against his wish to learn Welsh. I now understand that is not the case. What you mean is that 51 per cent of the population could coerce 49 per cent—or do you mean that?—In fact, local authorities already have the power to introduce the kind of language programme they want for their schools. They have the means, even today, of helping children to become bilingual. They do not do it. If the people will it, then their children can become bilingual.

205. I am sorry: I must interrupt you again. What do you mean by "the people"?—do you mean that if any two parents will it, it can be done?—No, I mean people expressing their will through their public representatives.

206. But when I asked if this would be a case of the majority exerting influence on the minority, you said no. What else can you mean?—Our will is expressed through our representatives on local authorities or in a central parliament, and that is the way it will still work in self-government.

207. You do mean that? This seems to me of very great importance. You mean that if there were a vote of the Welsh parliament—presumably by a bare majority—it would then become compulsory for every child in Wales to be taught Welsh?—No, this is not a matter for the central parliament: in fact, our local authorities now have the power to do this. All I am saying is that it is possible, without any more powers than we have today, to see all children of fifteen and under bilingual by the year 2000.

208. SIR BEN BOWEN THOMAS: May I interrupt here? You would appear to be of the view—and I think I would share it—that technically and pedagogically it would be possible to do this at the end of 30 years, but are we then overlooking the more powerful forces of opinion?—Oh yes.

209. Those forces of opinion can be very obdurate. If I may say so, I had the privilege of a conversation on two occasions with Mr. De Valera, who told me that it was one of the greatest disappointments of

his life that the Free State has not succeeded in re-establishing the Irish language in that community. The technical means are there, but the results depend on other things.—Exactly. I have stressed the element of will. This can only be done if the people will it. It cannot be forced on them against their will, and part of our job is to bring out that will; but technically and pedagogically, as Sir Ben says, it is possible.

210. Yes, but I stand with my Lord Chairman in trying to elicit the state of opinion in Wales on this. Knowing what the state of opinion in Wales is, and forgetting the technological and pedagogical aspects of it for the moment, are you well founded when you say that in 30 years' time all children can be bilingual in Wales?—I must speak for my own area of south-west Wales. Carmarthen was a county in which the vast majority of the children were Welsh-speaking a generation ago. In 1936, 84 per cent of the children in school were Welsh-speaking; today, it is 40 per cent. Yet I know that in Carmarthen, if we were able to introduce and practise a system of Welsh education—a system of education in which Welsh was the common language, and in which it was taught as a second language from the time the child started school—if that could be done in Carmarthenshire, then it could be done in the rest of the country.

211. CHAIRMAN: Is that what the people of Carmarthenshire want?—That is the point. It is a possibility if the people will it, but it cannot be done against the will of the people. Our job is to create that will.—(DR. WILLIAMS): Could I make a point? It was asked why I, for instance, with two Welsh-speaking parents, cannot speak Welsh today. I can read it slowly and understand it to some extent, and this is a great disappointment to me. It is very difficult to learn a new language. My grandparents were Welsh-speaking, one of them bilingual; my parents grew up with the Welsh language. Why was it that my parents spoke only English, except when they were considering certain family matters? Why was it that we grew up not knowing Welsh? It was largely a question of status; a consciousness—never expressed but clearly there—that Welsh was the language of the peasant past, the language of the very small holdings my grandparents came from in Carmarthenshire. English represented the language of achievement and success, the language of progressive employment. This was linked with one of the intangible features—a lack of self-confidence. I find it difficult to put it clearly, but I know it is there, in my own

parents and in other people, this lack of confidence in the Welsh language because of its association with past generations of Welsh people. It grew to the point that when I was a boy, out of about 1,000 pupils passing through the school of which my father was headmaster, only one was Welsh-speaking. Up to a few years ago I would have been convinced that this was an irreversible process; I would have been pessimistic. But within the last five years in that area a few people started a little nursery school, in Caerphilly. It took off, and has now reached the stage where the education committee—and I pay tribute to them—are prepared to make provision for teaching to be done in the Welsh language. That school grew, and then there were two schools; and now there are five in that area today. Almost every one of the children they are teaching comes from an entirely English-speaking home. By the age of six or seven these children become purely bilingual, and for reasons not altogether linked with language—one must be careful here—these children are successful in their education mainly because they tend to come from homes where parents have made a positive decision about education. So in my home town there are now 25 per cent of the total intake who are taught entirely in the Welsh language. These children speak English at home, and most of them have become bilingual. So I have changed my opinion on seeing this happen, and I have felt rather guilty about my own past lack of faith. I have seen it happen that, through the voluntary will of a community which had totally lost the Welsh language, the language is now being spoken again by children. This to me is one of the most beautiful things, and it is linked with an increase in self-respect and self-confidence. What I have seen happening in Glamorgan and Monmouthshire is possible elsewhere. In other words, parents will wish their children to have the opportunity of becoming completely bilingual and of sharing the wealth of two great cultures. Therefore I think the claims we make for this are well founded.

212. SIR BEN BOWEN THOMAS: Mr. Evans, what you would say then is that your expectation—that within 30 years Welsh children will be bilingual—is bound up with quite a considerable change of opinion in the Principality?—MR. GWYNFOR EVANS: Indeed.

213. From what Dr. Williams has said, there are a few swallows about, but whether summer is coming or not remains to be seen.—Yes, it is happening, and people are feeling a new sense of self-respect

because of the political work which has been done in Wales in the first place. Language is a great national tradition. It belongs to the nation, and you have to give the people of that nation some great objective to strive for—you have to put something before them to aim at, to struggle for, and to sacrifice for. It is in the process of working for these things that the spirit is effective. I believe that today the national spirit is rising, and we can see the possibility of once again being a bilingual nation.

214. But you will never deny the right of a non-Welsh-speaking man to say that he is a good Welshman?—We will never do that. So many of us have been born in anglicised communities.—(MR. POWELL): I hesitate to speak after Dr. Williams' very moving testimony, but during the Caerphilly by-election a poll was taken, and this question was asked of the electors—do you want your child to learn Welsh? The surprising response was 90 per cent. One appreciates that it is a wide question and may mean different things to different people. However, I put it to you for what it is worth. As far as implementing the will of the people is concerned, educational policy is a matter for the local authorities, subject to certain safeguards and directions from the Ministry of Education. It is for authorities to adopt or not to adopt certain language policies. What Plaid Cymru says is, first of all, that every child in Wales, if its parents so desire, should be entitled to what we now know as a Welsh education—in effect, a bilingual education—with Welsh being taken as the first language. That has proved to be an extremely successful experiment. It originated privately and received the encouragement of the high officials of the Ministry of Education. The other course open to local authorities is to teach Welsh as a second language, and not to have what we would call specifically Welsh schools. If parents want a Welsh education for their children they should have it, without either having to go cap in hand or having to go to a great deal of trouble to get it. Secondly, we say that every child should have the opportunity to learn Welsh in every school in Wales. The question then arises of being able to opt out of learning Welsh. I would have thought that opting out of learning Welsh—or arithmetic or any of the other basic subjects—was all on the same basis. If there are parents who are foolish enough to let their children opt out of English, for example, well, let them do so. Similarly, if parents are foolish enough to want to opt out of the Welsh language courses offered in schools, let them do so; but they imperil their children's

chances of rejoining a cultural heritage that I venture to say is second to none. I hope I have made clear what we mean by opportunity and not compulsion.

215. CHAIRMAN: I would like to explore a little further the connection between these cultural matters we have been discussing, and indeed the whole concept of nationhood, and independent political institutions. Let me say, to begin with, that my attitude is one of great respect—real respect—for Welsh culture and the Welsh language. Of the Welsh language I know nothing, but of Welsh history I think I can claim to know more than most Englishmen—although it may not be very much! I would welcome the voluntary spread of the Welsh language wholeheartedly. I think that the testimony, if I may so describe it, given by Dr. Williams was both sincere and moving. Where my doubts arise is in the connection between these things and political institutions. Consider for a moment the case, not of the Welsh, but of the English. Dr. Williams gave us statistics of emigration from Wales in recent years. He did not say so, but he clearly implied, that this was shocking and something to be deplored. The people of English stock in the world who move outside the jurisdiction of the United Kingdom must exceed many times over the numbers of those who are within it—certainly, the people outside England who speak the English language are in far greater numbers than the people who live in England and speak the English language. If you take the Scots, this is even more striking. Yet this has never been considered a grievance: on the contrary, it has always been pointed out as one of the glories of English-speaking people. Scotland would not stand for a tithe of what it does in the world now, unless there had been in the past, and unless there were still continuing, this constant process of emigration. Why then is it considered to be a grievance in Wales that it is happening with Wales? I wonder if perhaps there is not a contradiction to be seen in your proposals, in that they are aimed at advancing the interests of "Welshness" and the Welsh nationality, rather than those of the people of Wales. Let us take the Welshman who emigrates to London: perhaps he wants to. He may consider that he will have a better life there; and may not want to go back. Is it not perhaps a better thing for the spread of the influence of Welsh culture that he should be in London and not in Wales? A similar question can arise with the language. The position as I understand it is that three-quarters of the people who live in Wales today do not

speak Welsh. That means, in rough terms, two million Welsh people living in Wales do not speak Welsh. How many millions of Welsh people there are living outside Wales who do not speak Welsh, it is very hard to say. If the creation of an independent Welsh government were to lead to the influence of the State—and even, it would appear, in some measure that is difficult to define, the compulsion of the State—being used to persuade or coerce people who do not now speak Welsh, and must be presumed to choose not to do so, into learning it, would it not be doing harm rather than good? Would you not be cutting yourselves off from the world, rather than strengthening the influence of "Welshness" across the world?—MR. GWYNFOR EVANS: First, on the issue of migration, this is a social matter of course. This morning I spoke about what we considered to be the value of the national society, the national community. We believe this has great value and that its value is for the individual person—in Cardiganshire, in Carmarthenshire, or wherever he may be. I would like to stress how very much we are products of our society, and therefore how important the character of our society is for us. In Wales this society has traditions which are very good, and these are a matter of values. Central to our position is a recognition of things of the mind—an intellectual tradition—and this is recognised outside Wales. There are people who are born and bred inside this tradition, and I think this is the most important education any of us ever gets. If one believes that this tradition has that kind of value for each person, then we must try to maintain the community. But migration destroys the community. It makes it difficult in some parts of the country to remain socially viable, and to maintain the social, religious and cultural institutions which have meant so much in the past. Therefore we say that we ought to organise our political and economic life in a way which would make it possible for the community, not only to survive, but to flourish. It is essential to our beliefs that all our work should be subordinate to social ends, and this is one of the great social ends we have in mind. We put this as being of paramount importance. It is, moreover, something which should commend itself, not only to every Welshman in Wales, but to people throughout the world. It is of universal validity.

216. I have been listening carefully to see how many of your points I can attach a precise meaning to, and I regret to say they are very few. Can you tell me with some precision—let us confine ourselves

to the Welsh language—what measures a Welsh government could take to foster the Welsh language that cannot be taken now? —I do not regard the mechanics of central government as being all that important.

217. It is the mechanics of central government that you are proposing . . . —Yes, but they are not all important in this respect.

218. You have put them before us as being necessary in order to foster the Welsh language. How?—There are certainly things that a Welsh government could do that are not being done today, and they involve finance. I mentioned the example of language laboratories. Again, we should have had a national theatre built in Wales many years ago. This would have included a professional company which would tour Wales and put on plays in the Welsh language.

219. Could that not be done without constitutional change?—It could be, but it has not been done up to now.

220. If the people of Wales wished it, would it not be done under the United Kingdom Government?—We have been calling for this for many years.

221. Who has?—People throughout Wales.

222. Does that not mean that those who have been calling for it have not succeeded in convincing the majority of people?

The majority have not supported Plaid Cymru. As soon as we get support, we get these things. They are bound up with support.—MR. HAYDN REES: Is not the answer this, that you will find that the Arts Council for Great Britain has given out money for the housing of the Arts in England at a much faster rate than that for Wales?

223. DR. HUNT: As I understand it, local authorities are able to spend a proportion of their rate-levied money on the promotion of cultural activities in Wales. To what extent are local authorities in fact spending a large proportion of money on the promotion of Welsh culture?

—MR. WIGLEY: I can give you the figures later. The contribution is significant in many directions, not least in relation to the National Eisteddfod, for which many local authorities have shouldered responsibility in a most admirable way. I feel that more central funds could be devoted to measures which would give the Welsh language its proper status. This would mean that people would want to acquire

a knowledge of the language; but action has not been taken, and to our belief will not be taken, under a Government from London. There is the sensitive subject of bilingual public signs, road signs, and so on. In many counties in Wales a campaign has been run, not by us but by the Welsh Language Society, and certainly with tacit support from the Welsh speaking counties for the Welsh language to be given equal status with English. The Government accepted the report by Sir David Hughes Parry on the status of the Welsh language, and we expected the Welsh language to be used in full and equal status with the English language. Here is an instance where it might be said that the London Government is taking action, and yet the action turns out to be pathetically small. We were told for many months, even years, that such a small item as having the Welsh language on a car licence disc was impossible, and yet after a long campaign by many eminent people in Wales it was found overnight to be possible. We are up against this refusal to move, this inertia on the part of the Central Government, because the Central Government is not, we feel, giving the Welsh language any priority whatsoever. This is what a Welsh government would be willing to do, not by force, not by putting the Welsh language in front of the English language in status, but by conferring equal status, giving the Welsh language such a place in society that by its own merits it will have a chance to live.

224. CHAIRMAN: I want to be realistic about these things. Let us take the Welsh views on street signs. If you go down to Queen Street you will notice from the signs there that it is described as Queen Street, and also something in Welsh. What exactly is the purpose of that? Of the many thousands of people who go along Queen Street every day, what proportion think of it as anything other than Queen Street? Why is it a good expenditure of public money to put the name up in Welsh?—MR. GWYNFOR EVANS: We have inherited a situation in which the Welsh language has been regarded as the language of a peasant, a language associated with poverty, and certainly not the language associated with achievement, with getting on in the world. It has not had status in our country; it has not been used in legal life or in official life, and therefore it has not had the prestige it needs. If it is to be used in all walks of life, people need to have respect for the language, and they do tend to respect it when it has public prestige. The Welsh language has too often been pushed into

the back kitchen, as in Ireland. We have to give it a new prestige, and that means giving it a proper public status.

225. In other words this expenditure of money was to the benefit of the language and not because it served the people?—Ultimately the people gain, because the language is so important to them.

226. Let me ask a question coming closer home. Why did you address us in Welsh this morning? The purpose of this occasion is to communicate between your minds and ours. Why did you address us in Welsh?—Because we have to use the Welsh language in Wales for all purposes, in official as well as other matters.

227. Is that a view that would be held by the majority of people in Wales?—It is hard to assess. I should think it is, and it certainly has the increasing support of local authorities. You have given one example of what has been happening in this City of Cardiff. When the Lord Mayor was inaugurated, the Welsh language was on the menu, as well as English and French.

228. I am still anxious to know why this is done. I can understand your being pleased that it is done, but just why?—Because of its value to the human personality. In those areas of Wales where the Welsh language is in normal daily use, we still have the most lively intellectual and cultural life among the people, even in remote rural areas. I have visited many a farmhouse where one could hear, not only people singing, but singing things that they have composed themselves. Whole families used to compose songs, even write quite substantial works, and take part at night in competitions. There were hundreds of them. These people were the sons and daughters of the farmers, and they had a very rich intellectual life. That is what we mean by the Welsh way of living; but where the Welsh language has been lost, that intellectual vitality has been lost too. The language is most important for good human reasons like this; it is not just a matter of prestige.

229. I have the utmost sympathy with this. I suspect that many of my remote ancestors must have been among those harpists in the remote Welsh valleys. But is it not possible to have the utmost sympathy with fostering the use and the growth of Welsh in all such cultural matters without introducing the complications into ordinary life that would follow from forcing bilingualism where it does not now exist, and need not exist? I do not

know of any other bilingual country I have visited where people will not tell you that it is a curse, and that they wish they could get rid of it because of the amount of time and money taken up by having to translate everything into two languages. In this country, as I understand it, for the ordinary transaction of business everybody uses English.—I think a lot depends on this. If cost is the most important thing, then you would not do this, but if you think there are things more important than money, and more important than the time spent on this kind of thing . . . There are communities in Europe, such as Switzerland where you have four languages . . .

230. Yes, and how bitterly they regret it.—I do not know any one of those communities which would wish to see their language go.

231. Each one of the four thinks that the other three ought to give up theirs.—I am afraid that has been the attitude of the English! If one goes to Yugoslavia one finds six languages. All six are official and given every official encouragement. We feel we need this same help by the state. I can give two examples of what could be done almost at once by the state. But as the state is now constructed, every concession has to be forced; it does nothing voluntarily.

232. You mean the state, and not the majority of the Welsh people?—The only government we have is at Westminster and Whitehall, and everything has to be fought for tooth and nail. The Government does not respond to reason, whereas a Welsh government would give a lead. I can give two examples. We have scores of voluntary nursery schools in Wales maintained by parents. In these schools, children from non-Welsh speaking homes are given the Welsh language. They then go on to primary schools where they are taught to read the Welsh language. Yet the state does not support one of these nursery schools in Wales; it supports scores of English nursery schools, but not those teaching in the Welsh language. My second example is from another field—films. In Denmark, films are produced, and very often they are shown in other countries as well. Why should we not have films in Wales using the Welsh language, so that we can show Welsh films? If the language is to survive, it must have its place in all these media. They are very influential indeed, but costly in the sense that no private person can afford them and that they must have the support of the state. This support is much more likely to come

from a government controlled by the Welsh people.

233. CHAIRMAN: Perhaps we have adequately examined your views on this subject. I think we ought now to come to some of the political and constitutional matters.

234. MR. TALFAN DAVIES: Mr. Gwynfor Evans, I should like you to consider the following statement from page 3 of your paper:—

"They must have, if Wales is to have a national future, the greatest possible power of decision and of action in their nation's affairs. A status of national freedom alone will give them this power. The need is not for independence nor for absolute sovereignty, but for that measure of freedom which will enable the nation to live her own life. The conditions are fulfilled by Commonwealth status."

Now when you and I were students at Aberystwyth University College we had the pleasure and the advantage of a lecture by the late Professor Levi, and when you were speaking this morning I was reminded of that. The definition of the Commonwealth that was provided for us in those days was a community of nations equal in status, the one not subordinate to the other. Is it not a fact that, apart from the loyalties to the Crown which are not legal or authoritative in any way, each and every member of the Commonwealth is an absolute sovereign power, as far as states can be sovereign in these days?—Things have developed in that way certainly. There were many limitations to the powers which were enjoyed by the Dominions, as they were called then, and those limitations were accepted voluntarily. We have today the situation you have described, but the point we have always made is that absolute sovereignty is not, and should never be, an end in itself, an end to be aimed at.

235. You are claiming in your policy absolute sovereignty, legally at any rate. Look for instance at one of the phrases used, "provided there is agreement between two governments then you achieve a common market." There are always two partners to a partnership, and unless there is agreement you do not achieve partnership. Therefore you start off with complete sovereignty, a sovereign state. If that is right is it not quibbling to say you are not a separatist party?—We want a separate state, a separate government and a separate administration. What we have said is that we do not want to see, we cannot possibly see, a separate economy. On

this question of status, we must look at the historical background. In the days of the Empire, and this party developed at a time when there was a British Empire, there was only one status for free nations inside the Empire, and that was Dominion status. In those days, there were those who said that what any self-respecting nation should look for was absolute independence, absolute sovereignty out of the Empire, out of any community of this kind. We said no, that we should have that measure of freedom which would enable us to live our own lives by ourselves. We were not concerned with shibboleths about complete national sovereignty; in fact, some of our people went so far as to say that these were immoral concepts, and wrong. The country should recognise the concept of inter-dependence, and be prepared to work inside some bigger supra-national body. We have never favoured isolationism.

236. That is a declaration of intention on your part after you achieve sovereign status. You say that you want political, administrative, and financial independence. To go on to suggest that you are going to achieve a common market with the other United Kingdom nations is a gloss upon your sovereignty. In fact there would be three independent sovereign powers, entirely free to decide whether or not they should have a common market. Let us assume that England did *not* wish to have a common market with Wales, what then? If England wished to run its own steel industry and business affairs in clear competition with Wales, what would be the position?—The position constitutionally would be the same, one of Commonwealth status, as defined in Westminster. Countries enjoying that status have equality, and power to do what they wish, not only internally but in external relations as well. I think this is all a matter of semantics, because we have clearly set out what we want to do in the evidence.

237. DR. HUNT: As I understand independent Commonwealth status, one thing that goes with it is an independent defence and foreign policy. Would I be right in assuming that, as far as your concept of Commonwealth status for an independent Wales is concerned, you would have your own foreign policy, your own separate representation abroad so far as you wanted it, and your own quite separate defence policy?—Those are major reasons why we go for this policy, and why we reject federalism. It is essential to us to have control of our defence policy, not only for reasons of foreign policy but for purely economic and social reasons. We

feel that this is one field where we can cut down the expenditure of the present state. In the figures which Mr. Dafydd Wigley gave this morning, our share of defence costs is taken into account. We feel that this is a field where we can deploy money to much better purpose for the good of the people of Wales and, I think, for the good of the people outside. It is a most important field for us, and so is the field of foreign affairs. In Wales we are a very internationally minded people, and Plaid Cymru has always been anxious for Wales to take a full part in the life of the world. Now that there is a United Nations Organisation, we should have a seat there and take our part. We want to do this because we have our own convictions about the nature of world order.

238. CHAIRMAN: I think you may be getting a long way off the point of the question, which was this: you say that you are not for independence or absolute sovereignty, but for Commonwealth status. The question was: what is the difference?

—The difference was clearer in the days when we had to formulate this than it is today, because commonwealth countries now enjoy what may be called absolute sovereignty. What we think essential is, not absolute sovereignty, but the degree of freedom which is necessary for us to create the conditions of our own life. Whether one calls that independence or anything else does not matter. What does matter is that we say we are prepared to sink sovereignty by entering a common market. When you accept the idea of a common market, you accept many limitations on your freedom of actions and we are quite prepared for that.—(MR. POWELL): I think there is one misconception in Mr. Talfan Davies' question, which is that this desire to be part of a Commonwealth is a mere declaration of policy. I think I should make it quite clear that the statutory measure that we envisage would include an express provision for setting up a Common Market Commission. If you look at it in depth, it becomes immediately apparent that something like this is necessary. If by a statutory measure you set up a Welsh state without any provision for a rearrangement of your economic frontiers, you immediately have to have frontier formalities, and are faced in this complex economy with the collection and imposition of taxes, and indeed such things as the imposition of duties. So any statutory measure for setting up a Welsh state must include a provision which will not only obviate the immense dislocation that would naturally and inevitably occur, but also you have to do this in such a way that you do

not impose upon the will of England whatever the will of Wales may be. Our proposals are that the Common Market Commission will have under constant review, not only tariffs, trade and monetary policy, but also such questions as bank reserves, the whole gamut of economic relationships. In addition, they would not impose an obligation on either state to accept the recommendations of the Common Market Commission.

239. It may very well be that England in a short time will be joining the European Common Market, and one of the conditions of that is that members do accept decisions. What would happen if Wales did not accept a decision reached at Brussels? England would be obligated to accept that decision and Wales would refuse. This would lead straight back to your customs barrier on the Severn Bridge. I suggest that you are trying to get the best of both worlds. You want to be in a common market, yet still reserve the final decision to yourselves. What we want to know is which?—May I first of all say that one takes the situation as one finds it. The situation today is that the United Kingdom is not in the European Community. It may well be that the United Kingdom will never become a member of the E.E.C.

240. But this is a clear possibility that you must provide for.—Exactly; with respect I entirely agree. May I say, first of all, that we in Plaid Cymru would view with very considerable alarm the entry of the United Kingdom into the E.E.C. without Wales being a state in its own right. We have heard eloquent evidence, not least from the Welsh Office itself, that the more remote areas are from the centre of the decision, the less attention they get. Perhaps I am over-simplifying it, but basically that is in my submission correct. If it is correct, then how much more remote will Wales be when the centre of economic, and indeed political, life is moved from London to Brussels. So any attempt by the United Kingdom to enter the E.E.C. before Wales gets a government of its own will be resisted stoutly by Plaid Cymru; whether successfully is another matter. There is a third possibility. Once Wales is a state in its own right, clearly the question of entry or non-entry into the E.E.C. is a matter to be decided by the three or four countries of what we are pleased to call the Britannic Confederation. If the major partner in that Confederation decides that it is in her interest to enter the European Common Market, that is an end of the Britannic Common Market as such.

241. This seems to me to be a very long way round to a very simple thing. What you are asserting is that Wales does wish for absolute sovereignty. Having secured that, Wales will then try to make common arrangements with other absolute sovereign states, but you reserve the right to yourselves to decide everything for yourselves.

—With respect, I will not be steamrollered into that position. We have to envisage four possibilities; I have dealt with three, and will now deal with the fourth. In the event of Wales becoming a country in its own right, and of the major partner in a Britannic Common Market wanting to enter E.E.C., it seems to me inevitable that Wales would also have to go into the E.E.C. She would then have a voice both in the Council of Ministers and indirectly on the Commission itself, and the Commission, as one knows, makes recommendations to the Council of Ministers who issue appropriate directives or decisions. If one is playing with words, sovereignty can mean different things. What we say quite bluntly and clearly is this, that we want nothing more or less than what 130 other countries have. Sovereignty in the sense of being free to do what one wants, irrespective of what one's neighbours wish to do, is a concept which was once widely held. All we are saying is that if by that you mean sovereignty, we do not believe in it. If by sovereignty you mean a free state, as free as any one of these states in the United Nations, we say yes.—CHAIRMAN: Every time we get close to clarity we get confused. I think the answer is that you want sovereignty.

242. MR. TALFAN DAVIES: The only assumption I want to make is this. Forget the Common Market of Europe and let us look at the Common Market of the United Kingdom. If the State of Wales is not prepared to accept the terms of the State of England, then you are at loggerheads. You must run your independent course, and you cannot resolve it, it is as simple as that.—We do not envisage a trade war. We are here to propose these matters in amity and reason, and I have no reason whatsoever to suppose that the other side is unwilling to bargain.

243. Trade is worse than war sometimes. —I accept your opinion on that unreservedly.

244. Assume that the United Kingdom desired to confiscate the aluminium industry and the Welsh government said no. You are in disagreement immediately, and you cannot work out your own salvation without having complete independence yourselves.

244A. MR. HOUGHTON: Could I intervene at this point? I wonder if we could get a simple answer to this question. You want independence and all that that implies. You want Wales to be in charge of its own destiny. You will give assurances, as reasonable men, that you will work in co-operation with your neighbours and that you will behave responsibly, but you will be governed by the question of self-interest. You want to be free to do what you think is right for Wales in certain circumstances, irrespective of what anyone else does. You want to be free to do to the aluminium industry, for instance, what Kenneth Kaunda is doing to the copper industry elsewhere. Is that right or not—can we have a simple yes or no?—MR. POWELL: The simple answer is, except for the last part, yes.

245. SIR JAMES STEEL: I should like to clarify one of the points touched upon. It seems to me that Plaid Cymru believes that Wales would be better off without political unity with the rest of Britain, but that it does not want economic disunity. Would you still want political disunity if this meant economic disunity and, if so, do you really believe that the revenue collected in Wales exceeds the revenue disbursed in Wales? If you do not believe that, would you recommend independence at the cost of reducing the speed of development, including social development? If, on the other hand, you believe that the revenue disbursed presently does not exceed the revenue collected, and that you do not have to sacrifice these things, and if you went ahead and got your way on that assumption, would you think that the people of Wales had been deceived if, in the end, it proved to be the reverse and the standard of living did go down?

—MR. WIGLEY: I think it is important in this context to differentiate between economic and financial matters. When we talk of financing a Welsh government, we have to take upon ourselves the responsibility to make all payments for grants, services and all civil payments, and also military defence payments, a contribution towards capital costs and a responsibility for the National Debt in Wales and so on. These are financial matters. We say that to the best of our belief we can establish a government on the level of taxation which is currently raised in Wales. You mention the possibility of not being in economic unity with England. That is a different matter, because it is not the financial aspects that complicate this: it is the trade aspects—in that much of Welsh trade is dependent on the English market and

much of English industry is dependent on Welsh raw materials. We believe that it is to the mutual advantage of both countries that we have one economy, but we believe it is to the political and social advantage of Wales to have our own financial autonomy in these matters. As I said this morning, when it comes to the use of economic regulators we are losing a certain amount of freedom. This is why I find it so surprising that you, my Lord Chairman and members of the Commission, think we are talking in terms of absolute sovereignty: I do not think we are. I would say that the choice facing Wales is not one between having self-government and becoming financially poorer and not having self-government and becoming financially richer. I believe we can and will establish a Wales that is financially better off by self-government.

246. MRS. TRENAMAN: One way of interpreting that remark is that full financial and economic independence too would be desirable, but Plaid Cymru say that it is not feasible. We shall have an opportunity to hear in greater detail on another occasion something about the financial calculations which the Party have made. I shall be particularly interested to know how Mr. Wigley has reached his figure on the revenue side, and also to hear from him a bit more about figures on the capital side, since he did not have time to go into this earlier today. Mr. Evans mentioned the contributions to defence that might be made by an independent Wales, and said that this represented an element in the calculation. I would like to ask, when we are receiving further evidence, that the size of this might be made explicit, together with the kinds of assumptions that lie behind the calculations. All I would like to ask you now is about this proposition that it is possible to have a separate defence policy. I deduce from what has been said that this is being thought of mainly in terms of expenditure on certain items of activity, which can be raised or lowered and on which it is possible for Wales to take an independent line. To put it very crudely, money might be saved on a lot of activities of a military nature which are at the moment undertaken by the United Kingdom. This may or may not be so; but there is of course a much wider question, is there not, arising out of the proposition that it is possible to have a separate defence policy. I would like to know here what you actually have in mind. Do you mean a separate Welsh army, navy and air force, separate establishments of this kind? Has Plaid Cymru considered what the joint arrangements would be, in

purely practical terms—because this is a very small island. This is something which has not been developed, and if there is time I would like to hear something about it.—MR. WIGLEY: I will give a synopsis of what I might have said this morning if time had permitted me to do so. As far as the financial implications are concerned, defence costs the United Kingdom £2,200 million per annum, and that is equivalent to £40 for every man, woman and child in these islands. It also represents one shilling for every man-hour worked. Wales, I believe, has a distinctly different attitude towards military defence from the attitude of the Government in England. We believe, quite frankly, that the current level of defence expenditure in these islands is ludicrous, and it is our proposal that defence expenditure in Wales should be brought down drastically from £110 million a year, which is the Welsh proportion on a per capita basis, and from £70 million a year, which is the amount actually spent in Wales, to £22 million—about one-third of the present level spent in Wales and about one-fifth of the per capita expenditure of the United Kingdom. This is about twice the level that Ireland spends on defence. The Welsh government has a responsibility for defence and, as such, would certainly have defence forces. There would be a separate army, navy and air force, but of a limited kind. Whether or not a Welsh government would be willing to enter into any agreement about defence would be a matter for the Welsh government to decide, having regard to the circumstances pertaining at the time.

247. MR. GRIFFIN: In terms of defence as it is at present, do you consider a nuclear rocket would offer any deference to Offa's Dyke? This is quite a serious question in that, taking account of developments in moon travel, and with the type of warfare that can be foreseen, it is quite ludicrous to talk in terms of boundaries.—DR. WILLIAMS: The thing which I found most disturbing, and which had a traumatic effect on my political growth, was to discover the deception in British defence policy, in giving the impression that this expenditure has any relevance to the I.C.B.M. world. Some of the statements made by governments about the radar defences were simply untrue; and many of the statements meant to justify certain actions were absurd. Many of my friends in England often support my political position, because they hope that we can re-open discussion on what real contribution Britain's defence expenditure of £2,200 million can make against the I.C.B.M.s of the present

world. I do not think that Wales, with a £22 million budget on defence, or Britain, with £2,200 million spent on defence, are in any significantly different position in these matters.

248. The amount you have in mind for defence is still quite substantial. Have you thought exactly what you would do with the money?—MR. WIGLEY: Yes. We are maintaining the level, at least initially, at £22 million for practical and economic reasons, as well as military reasons. There are a considerable number of people in Wales employed mainly on defence, and it is not a simple matter to switch overnight to running down defence completely. The Welsh government would have a responsibility towards these people. We also believe, and we have done our calculations on this, that for a figure of between £15 million and £20 million we can provide an effective

integrated defence force; not inter-continental ballistic missiles, of course, but the type of force that would be a valid contribution to the United Nations. It would be both a security force for Wales and a force capable of being integrated with other security forces. We have done a certain amount of work on this, and we would be pleased to bring more evidence.

249. CHAIRMAN: There I am afraid we must conclude, and we will meet again on some date to be arranged. We shall continue this argument, particularly on the economic side. I understand that the document to which we have been referring was intended to be only provisional evidence, and that we may expect a much more extensive document in due course. Meanwhile, thank you very much.

(The proceedings were adjourned)

MINUTES OF EVIDENCE
TAKEN BEFORE THE
COMMISSION ON THE CONSTITUTION

Sitting in Cardiff on Wednesday 19th November, 1969

Present

MR. A. TALFAN DAVIES, Q.C. (IN THE CHAIR)
THE LORD FOOT
DR. N. C. HUNT
SIR BEN BOWEN THOMAS

Assistant Commissioners

MR. T. M. HAYDN REES, D.L.
PROFESSOR G. LLOYD REES

MR. R. J. GUPPY, C.B. (*Secretary*)
MR. D. MORGAN (*Assistant Secretary*)

Witnesses

MR. H. W. EVANS, ASSISTANT UNDER-SECRETARY OF STATE
MR. J. W. M. SIBERRY, ASSISTANT UNDER-SECRETARY OF STATE
MR. D. G. MCPHERSON, ASSISTANT UNDER-SECRETARY OF STATE
MR. IDRIS DAVEY, ASSISTANT SECRETARY
MR. W. BRENIG JONES, PRINCIPAL EXECUTIVE OFFICER
on behalf of the Welsh Office.

250. CHAIRMAN: Ladies and gentlemen: this is the third public session of the Commission on Wales, and the purpose of this morning's meeting is to conclude the evidence of members of the Welsh Office staff. I should say at the outset for clarification that we do not propose to receive from the Welsh Office staff their views as regards future policy. We are concerned with ascertaining facts as to the present machinery of government in Wales and to

receive such assistance as possible from the witnesses who may be called. I believe that is important, because it would be embarrassing to present members of the Welsh Office staff to express their personal views on future development in Wales. It is none the less equally important that we should ascertain precisely what the present machinery is, and no doubt we can receive assistance from each of them.

MR. HYWEL W. EVANS CALLED AND EXAMINED

251. CHAIRMAN: Mr. Hywel Evans, you are concerned in the main with the Secretary of State's oversight of the work of the Economic Departments in Wales, including Trade, Technology, Power, Transport and Employment and Productivity, and you have certain other oversight functions to fulfill. In addition I understand you are the Chairman of the Welsh Planning Board?—Yes, sir.

252. These would appear to me to be very formidable tasks. The first matter I would like you to tell us about is, having regard to the variety of work which comes under your jurisdiction, how are you able to discharge these functions satisfactorily, and with what assistance? How do you set about it?—The range of functions is indeed even wider than you have indicated. It includes the work on the reorganisation of local government in Wales; indeed the group of functions which is set out in paragraph 55 of the Welsh Office evidence. The work of the Welsh Office is organised in divisions, and I have three divisions under me, each with an Assistant Secretary—an Economic Planning Division, a Local Government Reorganisation Division, and a General Division which undertakes a miscellaneous range of duties. These are staffed with a full complement of civil servants. This is not to say the pressure on one's own individual time is not very great indeed.

253. Would you give us some indication of the number of staff involved in different aspects of your work? There is a great deal, if I may say so, of ignorance of what happens in the Welsh Office. In the first place I would like to ascertain, when you refer to the fact that you have various sections, what precisely have you got in those sections?—If I may take, for example, the Local Government Reorganisation Division, this work is undertaken by a group of about 12 persons. It is under my general direction, and it is under the more immediate direction of an Assistant Secretary. He has a Chief Executive Officer

and Principal under him, and then there are more junior staff below them. This particular work falls reasonably well into particular divisions or sections, and the work is allocated between these individuals. They channel it up to the Assistant Secretary, who has the prime responsibility of giving me his own co-ordinated view of the whole operation of reorganising local government. Similarly there is the economic policy staff under an Assistant Secretary, who has Chief Executive Officers and a Principal, the latter having responsibilities in relation to the Welsh Council, which falls also under my responsibilities. There are subordinate supporting staff there. Again there is a General Division, which has a Principal and other staff dealing with the Welsh language and tourism, and various other matters as described.

254. So that taking local government reorganisation as an example, you have your members of the staff considering certain problems. Then co-ordination takes place, as you describe, and eventually a proposal is brought before you?—Yes.

255. Then it is your duty to present it to the Secretary of State for Wales?—This will depend very much on how far this preparatory work has been taken. In a task such as the reorganisation of local government, although the prime responsibility for doing the basic work rests with my Local Government Reorganisation Division, there is a whole range of other divisions in the office—for the most part under the control of my fellow Assistant Under-Secretaries—who are involved in this work. The reorganisation of local government raises great numbers of questions about functions, about roads, about housing, and so on. So it will be my duty, or the duty of my Assistant Secretary, to ensure that, before proposals are put forward to the Secretary of State, a co-ordinated view is taken within the whole Welsh Office, and that those who are concerned with roads are fully consulted and

fully in accord with the broad proposals which may be put forward. It is my task to be satisfied that within my own Local Government Reorganisation Division the work has been done in detail and satisfactorily, and it is also my responsibility to ensure that all others concerned within the Welsh Office have been consulted and have been brought into the picture as necessary. Only when this is done does one put forward either to the Permanent Under-Secretary, or sometimes directly to Ministers, considered proposals.

256. When that stage has been arrived at, is the position more or less cut and dried?—By no means.

257. Why not?—On any particular proposal a submission will be put forward. If it is of major importance it will be approved by the Permanent Under-Secretary as well. Such a submission will argue, in considerable detail if necessary, the pros and cons of a particular course. It will normally conclude with a recommendation. The recommendation may sometimes be very firm, or the recommendation may sometimes say, "This is a very difficult decision, but on balance such-and-such a course would seem to be the right one to follow." This is then considered by Ministers. There is usually extensive consultation between the civil servants and the Ministers. Because the civil servant thinks up something or makes some suggestion, it by no means follows that this will be accepted by Ministers. In no sense is it cut and dried. There are many cases of proposals which are sent back and one is told to think again, to consider alternatives and examine them, to probe more deeply into alternative courses of action.

258. How much influence do the views of the public at large have in respect of these proposals which have been placed before the Minister? I am speaking now of the early stages. Is there any regard paid at that stage to public opinion?—One would normally advise the Minister as to the likely public reactions to particular proposals. Subsequently very considerable public discussion occurs. In the matter of local government reorganisation I would think the Welsh Office had probably engaged in the processes of consultation to a degree probably never known before in Wales.

259. I would like to pause a moment with regard to the consultations. How does the Welsh Office set about these consultations? Do they select, or is there a set practice about the persons who are considered, which bodies are consulted, and

is this adequate?—In the case of the reorganisation of the local government we consulted, I think I am right in saying, every single local authority in Wales with possibly one exception; we have consulted every single local authority association; we have consulted the trade unions concerned. I would have thought that a very extensive cross section of the opinion affected was brought into this process of consultation.

260. How much influence has the consultation upon the final result?—It has been very meaningful consultation, and not some façade. One could quote instances and examples where we have changed our minds. For example, in the matter of local government reorganisation, a different decision was eventually taken about the proposed allocation of the rating responsibility in response to representations made to us. The record of the last 12 to 18 months shows that on many points there have been changes from the original proposals.

261. There has been a general basic change of view recently?—Yes, sir.

* 262. Is that as a result of public opinion, or is it due to any other difficulties? How influential is the public view on this matter? — You are referring to the proposed further work in relation to South Wales which is coming up?

263. Yes.—A number of factors lie behind this. There were certainly public voices which urged us to take a new look at the position in South Wales. But the basic thing, the decision to make a further review of the position there, stemmed from the Government's decision that the division between town and country ought to be ended for local government purposes. The specific work which we are asked to undertake in respect of South Wales is designed to see if we can find ways of ending a division between county boroughs and administrative counties.

264. The final decision, I assume, will rest in the Secretary of State, having regard to the assistance of people like yourself? — The final decision will rest with Parliament.

265. The proposals for South Wales will be either accepted or rejected by the Secretary of State, who will then present them to Parliament?—What is intended is that the Secretary of State will report to Parliament the results of his review. It is then the intention to discuss these with all the local authorities concerned, and with other

interests, so that no final decision is taken until there has been this close discussion and consultation.

266. Is this the type of pattern which is adopted in other fields?—I suppose that the different segments of my own work in the office are less inter-connected than the different parts of the work of my colleagues whom you will be talking to later. Mine are connected, but there is perhaps less of a problem of co-ordination of my three divisions than there might be in the case of my colleagues, say Mr. Siberry. Different problems arise, for example, in relation to oversight. The problem here is not so much one of public consultation as of securing a co-ordination of approach so far as this is possible, a co-ordination of advice between Departments on particular matters, notably in the economic field.

267. How effective is this oversight in practice in influencing policy? Take, for example, transport, which is one area in which you have oversight. If there is a particular policy in respect of transport, or employment and productivity, do you have real influence on the Government Department which has effective control over those areas?—Perhaps I could answer it briefly in respect of transport, and then more broadly in respect of the economic field generally. There are many components of transport. Roads come directly under the responsibility of the Secretary of State. In the remaining field of transport there are many agencies at work under the general aegis of the Minister of Transport, and to some extent of the Secretary of State. We are in a position to carry out quite a considerable co-ordinating role there. For example, the secretariat of the Passenger Transport Co-ordinating Committee is provided by one of my own staff; the secretariat of the Welsh Advisory Committee on Civil Aviation is provided by my own, Welsh Office, staff, the secretariat of the Communications Committee of the Welsh Council is provided by my own staff. In this way one is able to effect a good deal of influence and ensure a good deal of co-ordination in the advice going forward to Ministers, quite apart from the normal processes of consultation between Departments which go on. I had in mind to go into the more detailed aspects, into the operations of the Planning Board, if you wish me to?

268. I am going to ask Professor Graham Rees to deal with the more detailed aspects of economic activity. Although you have these people on the secretariats of these

committees, if a decision from the Department which has effective control is contrary to your wishes, that is the end of the day as far as you are concerned, that must follow. Does the machinery which exists at the present time enable the Welsh Office to control effectively matters which are essential in Wales?—There is control, and there is influence. One does not have absolute control of matters which are not the direct responsibility of the Secretary of State. But one brings to bear very considerable influence. This influence is enhanced by virtue of the oversight function, and by virtue of machinery such as the Planning Board's or the Heads of Government Offices meetings, which are designed to support that oversight function. So in a body like the Planning Board, when particular problems arise we are able to express to Departments our views that so-and-so should be done, but they in turn may come back to us and say, "You too in the Welsh Office should do so-and-so." There is a mutual process of influence at work from which we hope that we can usually produce a co-ordinated view and co-ordinated advice. Oversight means, for example, that in the case of the Planning Board the Welsh Office provides as well as the secretariat, the Chairman. This is a position in which one can exercise influence.

269. Before I invite Professor Rees to take over on the economic situation, I would like to take the other example, and that is roads. You are concerned directly with roads?—I personally am not, but Mr. Siberry . . .

270. That is in Mr. Siberry's province?—Yes; there is very close liaison.

271. The point I wanted to put was this: in the case of roads the Welsh Office can determine its priorities, I assume?—Yes.

272. That being so it can effectively decide what is best in the interests of Wales. I will defer asking questions upon that matter until Mr. Siberry gives evidence. Now Professor Rees, would you ask questions on the economic aspects?

273. PROFESSOR REES: I should like to follow up on the Planning Board. If we take the endeavours to locate industry in Wales, would it be true to say, as I think you were saying, that all the bodies concerned liaise through the Planning Board?—Yes, sir.

274. One gets the impression sometimes from outside that these endeavours to locate industry in the Principality may be open

to the charge of fragmentation and possibly of duplication. I am thinking of the work of the Development Commission in providing factories on the one hand, and the work of the Board of Trade on the other. Would this be true?—You are thinking in particular of Mid-Wales?

275. Yes—I would doubt whether the charge of fragmentation had very great weight in relation to Mid-Wales. It is true that there are a variety of factors operating in that situation. Mid-Wales is a development area. There is the Mid-Wales Industrial Development Association, there is the Development Commission, and there is the Welsh Office which has recently published a strategy for Mid-Wales. It could be held—I would have an open mind on this—that there was need for more co-ordination. On the other hand, while one does not minimise the problems of Mid-Wales, this system, fragmented though it may appear to be, does on the whole produce results. Since the setting up of the Mid-Wales Industrial Development Association in 1957, I think something like 54 new enterprises have been attracted into Mid-Wales. In recent years the rate of decline of population in the Mid-Wales counties has markedly decreased. Indeed, by and large, the urban populations of Mid-Wales have increased, although this may be held to be simply the movement from country to town. So that substantial progress has been made in the Mid-Wales situation. But it may be right that one should review it and look to see whether the agencies concerned need further co-ordination. I think to some extent you yourself may be engaged in certain studies in that connection.

276. To continue with the Planning Board, it seems to me that if we take, say, the NCB, they would be concerned with purely commercial considerations in coming to a decision to close a colliery, but the Welsh Office, and the Planning Board in particular, would presumably be concerned with wider issues. To what extent is it possible for the Planning Board to make its views felt upon a body like the NCB?—The NCB, as you say, has to take its decisions in accordance with the objectives and commercial considerations with which it is faced. I would say in that case that our influence must largely be directed to trying to take a medium or long term view of the strategy and the likely pattern of developments in the coal industry; to seek to make our dispositions in a co-ordinated way so as to allow for rundown and decline; to ensure that we have taken the necessary measures, so far

as we can, to attract new industry, provide the infrastructure, and so on. I would see that as a fundamental role.

277. And not to prevail upon a particular enterprise to remain open when the commercial considerations dictate otherwise?—By and large I do not think the Planning Board can overrule the commercial judgment of anybody.

278. In developing plans and strategies for the future, obviously you must look along and extrapolate trends, and take information from the various major sources in Wales. Would you give us your opinion on the success of the enterprise of planning for the future, and in particular do you think in view of the fact that the Welsh economy is obviously closely integrated with the English economy that stop-go considerations are quite fatal to exercises within the Principality?—I think you are perhaps tempting me into answers which go further than it is proper for me to give them. I do not think I would wish to comment on stop-go policies.

279. I do not want to ask about stop-go policies. What I was after was your view as to the feasibility of planning a particular segment of the United Kingdom economy. When you are in some senses the tail and there is a dog at hand to wag this tail, do you think that you are engaged upon in some ways an impossible enterprise in trying to plan the Welsh economy when there is this other economy which very often goes the other way?—The two things have to be brought together. What we do, is to plan economic strategy for Wales, drawing together the various components and parts. At the same time, in Whitehall other people have been taking a view as to the overall U.K. planning and economic strategy. The two have then to be brought together. When we have worked out our plans then we have to discuss them with our colleagues in the Treasury and, as it used to be, in the former Department of Economic Affairs. Sometimes we have to make adjustments, and it may be that they make adjustments. There is a process here of co-ordination and bringing together. By and large it works reasonably.

280. DR. HUNT: Given that the English and Welsh economies are bound to interact and be closely related to each other, do you think that the present machinery in the Welsh Council and the Planning Board is really designed in such a way as to give the Welsh point of view the adequate and proper amount of impact where final decisions in this field are taken, or do you think that

this machinery does not enable the Welsh point of view to be taken and Welsh interests to be taken fully into account? —I would say Welsh interests *were* taken into account. It is an enormous advantage to us to have a Secretary of State for Wales. This is not merely an advantage in terms of his own personal presence at Cabinet and ministerial meetings. It means that the Welsh Office, unlike individual English regions, is represented all along the line at official interdepartmental committees bearing on economic and on other affairs. So we have at the table a direct Welsh voice. This I regard as a most important, indeed fundamental aspect of our position and of our planning activities.

281. When you were saying a moment or two ago in answer to Professor Rees that there might be some sort of slight untidiness or lack of co-ordination in some of the aspects of economic policy, I wondered whether the operations of the Planning Board and the Council would be very much affected by the recent reorganisation in the responsibilities of central Government Departments? Is this going to make things better or worse? —It is rather early days to judge precisely how this is going to work out. One does not know precisely how the Ministry of Technology will be organised in the regions. In so far as this leads to general strengthening and closer co-ordination it would be welcome, but one really would want to know more as to the precise way in which the new Ministry would work. I do not think they have altogether taken all their decisions.

282. PROFESSOR REES: We now have the 1968/69 figures of expenditure which are a revision of the original printed evidence, and from these it appears that we have an identifiable expenditure for Wales, the total of which is £789 million. Would you have any idea of the gap between this and the expenditure due to what is sometimes known as the Imperial contribution? —I would not like to forecast or make a guess at what that figure might be. What I can say is that it is intended to carry out as soon as possible a study on the lines of that recently completed for the Scottish budget, that is to say an examination of expenditure and revenue attributable to Wales. This is a somewhat complex exercise. It is a good deal more complex on the revenue side than on the expenditure side, but I hope that when it is done, it will help us to answer your question with the precision that it calls for.

283. CHAIRMAN: What is the period of time that you expect this exercise to take?

—This I cannot forecast. It will be done as soon as possible. It involves a good deal more than the Welsh Office. It is primarily a Treasury cum Inland Revenue exercise, as was the case with the Scottish budget. But the Welsh Office would be associated with it. I would not like to forecast how long it would take. It took about a year to produce the Scottish budget. In some ways the problems may be more complex in the case of Wales, and in others they may be simpler to the extent that some conceptual problems have been considered. They may be more complex because of certain differences in the method of collecting revenue and recording revenue accounts.

284. The probability is that very many of the industries of Wales have headquarters in London and send their returns there?

—There is that sort of problem, and indeed this problem arises with individuals. Wales, unlike Scotland, has a number of large centres of employment very close to the border. There are quite considerable problems of people whose P.A.Y.E. is paid in one country and who are working in another country. These are not insuperable, but they are quite complex matters to sort out.

285. You think it will take at least six months, if not more, to achieve this? —I do not think I ought to go on record as saying that. The task would not be primarily my duty or that of the Welsh Office. It would be done as soon as possible, but I think it would be misleading if I concurred in any particular timing. CHAIRMAN: Thank you for that information.

286. PROFESSOR REES: Obviously it is no use talking about the revenue position until the figures are produced, but if we stick to the expenditure side would it be true to say that the grants to persons in the Principality from the public purse are proportionately greater than they are for the U.K. as a whole? —I think I would have to have notice of that. Expenditure per capita?

287. Yes. —Yes, I could give you that, I can provide that information.

288. It is my impression that this is so. And it may be asked whether this is true for local authorities too, whether the money received by local authorities in Wales is proportionately greater than for the United Kingdom. —My colleague, Mr. Siberry, may be able to cast some light on this.

289. The other question which it occurs to me to ask is whether any work is going forward in the Welsh Office at all, concerning the possibility of entering into the Common Market, that is in its effect on Wales?—No. I think that matter would have to be taken further. There is no detailed consideration. We are thinking a great deal about the competitive international position of Welsh Industry and the need to make it more competitive, but no specific study is going on.

290. Is the Treasury doing anything about this? Is it looking into the regions vis-a-vis needs?—I think that is a question for the Treasury.

291. DR. HUNT: Could the Treasury adequately look at the interests? Surely somewhere some calculations must be going on, if we are thinking of getting into the Common Market, on the likely impact on the Welsh economy. Could calculations of the likely impact of going into the Common Market on Welsh economy be going on anywhere outside Wales adequately?—There could be calculations of that sort, but they would have to be done jointly between the Treasury and the Welsh Office.

292. Therefore the likelihood is that this is not being done?—I could not say.

293. CHAIRMAN: You appreciate the point that is being made, and it is a very important one. If there are certain features of entry into the Common Market which adversely affect Wales in particular as opposed to the rest of the United Kingdom, then due consideration should be given.—Yes, and there is no doubt that this would be done.

294. SIR BEN BOWEN THOMAS: Possibly within the Department concerned, possibly within the Ministry of Agriculture?—Yes.

295. DR. HUNT: If it is being done within that Department the Welsh Office has not been consulted, is that the position?—The Welsh Office is consulted very fully by all Departments.

296. You are not being consulted on this issue at present?—We have not yet undertaken a study within the Welsh Office of the full implications of Common Market entry. We are very much concerned with the trading position of Wales.

297. MR. HAYDN REES: On regional planning do you always have to fit into

the English scene, or do you sometimes find the United Kingdom is willing to fit into the Welsh scene so far as industry is concerned?—In the planning of industry it is a mutual process of give and take.

298. The second point is that the Hunt Committee, if you remember, said that Wales could do with much more in the way of offices and commerce, and the Flemming Report advocated that there should be decentralisation from the South-East of offices, commerce, and things of this nature. To what extent is the Welsh Office consulted about that, and what influence have you on it?—We are much concerned with this. It is our desire to encourage office accommodation and attract commercial employment into Wales as far as we can. I can illustrate this best in relation to the field of Government offices. The Welsh Office brings its influence very much to bear on decisions for the relocation or dispersal of Government offices away from London. One can quote a very substantial number of such offices which have been, or are going to be, moved, for example, to Swansea, Cardiff and Newport.

299. And Llantrisant as well?—And the Mint at Llantrisant as well. That is an instance of dispersal, though not primarily of office dispersal.

300. In reply to the Chairman you said that in the Welsh Office you had considerable influence through what are called oversight powers.—Yes.

301. Would you agree with Sir Goronwy Daniel when he said, in reply to a question I asked at the earlier Commission hearing, that the Welsh Office could in fact take over without any difficulty, but with adequate additional staff, powers broadly comparable to the Scottish Office?—Yes, I agree that there would be no difficulty. There may be problems on matters of timing. I think Sir Goronwy's evidence was to the effect that you need to digest one block of work before you attempt to eat a second one; but in principle, yes.

302. If we had those additional powers in Wales there would be greater influence within the Welsh Office because you would have direct power?—Yes.

303. The Chairman asked about consultations on local government reorganisation. Would it be right to say that in Wales we are having greater consultation at local authority level than in England?—I would guess that this was certainly so.

304. SIR BEN BOWEN THOMAS: I would like to put a difficult question, or perhaps make a statement, and I would not like to embarrass you. When you were talking about local government reorganisation in reply to the Chairman's question a moment or two ago, I had this impression, that here in Wales over a period of time we had examined the question of local government reorganisation, we had carried through all kinds of consultations, and we had produced a scheme which apparently was acceptable to Wales and would have been regarded as eminently satisfactory. Everything was proceeding as far as we could see splendidly when, quite suddenly and without due notice, an announcement was made outside Wales which calls the whole Welsh scheme into question and requires you to undertake some more homework. Does that lead to the conclusion that a Welsh scheme must always be consistent with requirements laid down elsewhere but cannot be adopted, so to speak, in its own right? Is that a fair statement, rather than a question to which I ask you to say yes or no?—I would not agree with the statement. I do not think that the whole proposals in relation to Wales have been called into question. What have been laid open to review are the proposals in relation to county boroughs, of which there are four, and all are in South Wales. But the proposals in relation to the eleven other existing counties of Wales have not been called into question. I do not think it follows, therefore, if I understood your question, that Wales has to do what England does.

305. CHAIRMAN: And there is still a diversity of opinion in existence as regards what should be done about county boroughs which has to be taken into account? —There is diversity of opinion on almost every aspect of the proposals for local government reorganisation.

306. MR. HAYDN REES: To refresh your memory, the White Paper did say that you would give further consideration to the situation in Wales after the Redcliffe-Maud Committee had reported. This is not to say that Wales is precluded from it in future.—Certainly.

307. There was a caveat entered in the White Paper?—Yes.

308. SIR BEN BOWEN THOMAS: I see that amongst your responsibilities are executive functions in regard to the arts and tourism, and I see—from paragraph 33

of your evidence—that you have real powers to oversee the activity of all Government Departments in Wales and to see that they co-ordinate. I wonder if you could tell us something about the way in which you exercise, not only those rights of oversight, but also certain executive functions? Take them in order, tourism to begin with, and then the arts?—The position in tourism is governed by the recent Act which set up a statutory Welsh Tourist Board. The Secretary of State appoints the Chairman and members of this Board, and the budget of the Board is carried on the Vote of the Welsh Office; it is settled by consultation between the Welsh Office and the Board, and then between the Welsh Office and the Treasury. There is also close liaison between us and the Board and the officials of the Board. So the Secretary of State has a very direct responsibility in that he basically provides the great bulk of the financial resources of this Board.

309. There is evidence that money has been forthcoming as a result of that in recent times?—Yes.

310. You carry that on your Vote?—Yes, the Board has some relatively minor other sources of income, but primarily it comes from us.

311. They make a levy?—No, they derive some income from the sale of publications, and there are voluntary contributions from local authorities.

312. What about the Arts, Mr. Evans? Does the same thing occur there? Do you carry the Arts?—No, the Welsh Arts Council gets its money from the Arts Council of Great Britain. The Arts Council of Great Britain Vote is in turn carried on the Vote of the Department of Education and Science. There is consultation, but not the same degree of personal responsibility on the part of the Secretary of State.

313. It is really more oversight and consultation than actual direct responsibility? —In the case of the Arts, yes.

CHAIRMAN: If there are no further questions to be asked, thank you for attending, Mr. Evans.

(The witness withdrew)

314. CHAIRMAN: Mr. Siberry, you are the under-Secretary in charge of the divisions dealing with town and country planning, roads, housing, water supply, sewerage and other local government functions.—That is so

315. Which is a very tall order, and no doubt one which you discharge well. Do you share the view expressed by Mr. Hywel Evans that the coming into existence of the Secretary of State with a seat in the Cabinet has been a great advantage as far as Wales is concerned?—Mr. Chairman, obviously it must make a great difference if in the circles where the final decisions are taken, there is a Minister who represents these matters in Wales, and can speak on them in consultation with his colleagues. It also has effects in the other direction. There is much more intercourse of view, so to speak, between such a Minister in Wales and local authorities and other bodies in Wales. One cannot be in the Welsh Office without being very much aware that a great deal comes to the Secretary of State from local authorities and others in Wales in the way of views, representations, requests for discussion, or whatever it may be.

316. You remember, looking at the position in Scotland, that it was only after a great deal of pressure that this was achieved, and with great results it seems. Do you also agree that if there were expansion of the Welsh Office duties, that would be to the advantage of Wales?—One has to start thinking of a question of that kind, Mr. Chairman, by looking from Wales to Scotland. The similar arrangement in Scotland covers a wider range of functions, and broadly speaking one would suppose that what may be practicable in Scotland would equally be practicable in Wales. But as my colleague, Mr. Evans, said, there might be questions of timing. You will find in the written evidence of the Welsh Office one perhaps significant sentence, which says, broadly, that at the time when the office of Secretary of State for Wales was created, the then Welsh Office of the Ministry of Housing and Local Government was the one of the four rather special offices in Wales which had developed furthest in the direction of devolution of day-to-day business and in the growth of its administrative and professional staff. I am no expert in the business of the two other Departments which are usually thought of in this context. I do not know what might need to be done to bring their offices in Wales into the

condition in which they could be, as the Welsh Board of Health was recently, absorbed into a still further enlarged Welsh Office.

317. I would like you, if you can, to assist the Commission by dealing with a specific case, in order that we may appreciate precisely what the machinery is, and how it works. I am going to take a concrete example, without asking you to express any view as to the merits or demerits of it, or even considering that side. There is considerable disquiet on the part of some people as regards the creation of a reservoir in the Senni Valley. Would you outline the machinery which deals with that sort of problem in order that we may be fully aware what public opinion can be brought to bear on this matter, what Government Departments deal with it, and what local authority or what water board deals with it? Let us assume you start at the very beginning. Could you assist as to the machinery?—Without straying beyond the field in which I should stay, I think I can properly describe what has in fact happened in that particular instance. It starts with the existence of a body, the river authority, which has a complex of responsibilities for the river basin, or in some instances a combination of river basins, as a whole. Those responsibilities include a responsibility to try to assess what the resources of that river basin may be in the way of its ability to provide supplies of water, and to assess the demand. Out of that first process of an analysis of supply and demand, the river authority may consider that within some period ahead, in its process of forward planning, it would be necessary, in the discharge of its responsibility to ensure that an adequate supply of water is provided, to build a reservoir. But the first thing it needs to know, before it can come to its own firm conclusion about the alternatives that may be open to it, is the practicability of building a reservoir in a particular place. It will usually examine a number of what I suppose might roughly be called geographical possibilities, and on expert technical advice—since in these circumstances an authority would normally engage the services of consultants—it may narrow the field of choice. Having done that, in order to know whether it would be practicable to build a dam at a certain point, a dam which in over-crude layman's language will stand firm, and, in the same language, could hold a reservoir which will not leak, it will need to carry out certain geological investigations.

318. And this is carried out by the river authority?—By the river authority.

319. Is that the local body?—It is a kind of local body, for the area of the river basin or combination of river basins, partly appointed by the county councils of the area in England appointed partly by the Minister of Housing and partly by the Minister of Agriculture, in Wales with the Secretary of State for Wales having a very large share in the combination of ministerial appointments and replacing the Minister of Housing.

320. This is a decision in the first place by a local body which has paramount power to carry out these exercises?—Not paramount power, because even in order to carry out geological investigations, to determine the character of a site, if the owners and occupants of the land on which the agents of the river authority need to enter in order to do these things are opposed to their doing so, the authority has to apply to the relevant Minister, and in Wales that is the Secretary of State, for an order empowering them to enter upon the land in order to carry out these investigations. That is the state of play at the moment in the instance you gave.

321. Let us go to the next step. Subsequently, let us assume, investigations are made. What power then determines whether the dam is to be erected or not?—The normal procedure under the Water Resources Act 1963 would be that the authority wishing actually to build a reservoir would require an order from the relevant Minister in order to be able to do so.

322. That Minister being?—That Minister in Wales is the Secretary of State.

323. Now where does the water board for the area come into the picture? Does that take any view of the present situation? Does it demand a reservoir, or can it demand a reservoir?—We are in a changing stage of administration, Mr. Chairman. If one goes back far enough everything was done by the local authority, or a private company. It built the supply reservoir and the service reservoir, and laid the pipes which carry the water up to the taps, and in the main in Wales such bodies, or the successors to them—the main successors to them being amalgamations of the former authorities called water boards—own the supply reservoir. The Taff Fechan Water Board, for example, owns the Taff Fechan reservoir which is its main source of supply, and controls the whole apparatus which uses that supply.

But there has been a rather revolutionary change in technique, a switch from the idea of a reservoir as something which stores up water which is then delivered by pipe overland to the idea of a reservoir in the hills as something which regulates the regime of the river for a variety of purposes, including the possibility of abstracting water from lower down the stream. With those changes and with the power given to river authorities in the 1963 Act to build such reservoirs the expectation is that in the future such reservoirs will be built by the river authority, not by the water boards.

324. So that there is a duty on the part of the river authorities to provide the water?—Yes.

325. But is there co-ordination between that river authority or water board and the neighbouring water board?—Yes.

326. So there is overall determination of what is right and what is wrong?—There is within Wales, Mr. Chairman, perhaps operating mainly in rather informal ways, a Welsh Office oversight over these activities. As I have said, in relation to some of the functions of the river authorities the Secretary of State's decision is required for certain action to be taken. Also there is what one can very broadly, but not very accurately, describe as a research and advisory body for England and Wales, the Water Resources Board, which is in close touch all the time with the river authorities, and indeed with the water boards at another level, and which is helping Ministers, by carrying out studies, to do sensible planning over very large areas. The Water Resources Board is engaged at the moment in a study which has been going on for a considerable time, of Wales and the Midlands.

327. This is a matter upon which you may give assistance. Let us assume Water Board X has a quantity of water in excess of its demands for its particular area. Is there not a bargaining between that water board and the neighbouring water board about the financial arrangements for disposing of that water, and even competition between water boards, instead of there being an effective organisation or body which determines what should be done in such a case?—I must say, Mr. Chairman, I am less aware personally of any sense of bargaining than I am of a sense of willingness to discuss and consider together, and to try to find sensible co-operative arrangements. If I may quickly give an example, I said to you that it was expected that major regulating reservoirs of the new

kind would in future be built by river authorities. In the Usk Valley it is the Usk River Authority which has been putting forward for consideration ideas of that kind. But the big reservoir of that kind now being built on land north of Llandovery is, largely for historical reasons, not being built by a River Authority. Because of the set-up when the idea started, it is being built by the West Glamorgan Water Board. But it is certainly part of the overall concept that supplies made possible by this building by a particular Board will be made available in a much wider area than that of the Board itself.

328. Let us assume that an area has 50 million gallons a day in excess of its own demand, and that this water could be piped quite effectively to a neighbouring water board, making it unnecessary for a reservoir to be built. It may be more advantageous financially for a local water board to create and build its own reservoir rather than purchase from a neighbouring authority. Is that possible?—Hypothetically I suppose anything is possible, but I find it rather difficult to follow this.

329. What I am asking is whether the outcome is dependent upon the will and the determination of a local river authority provided they get the approval of the Secretary of State for Wales?—No, Mr. Chairman, because even in dealing with a particular river authority and its own intentions the Secretary of State whose approval they require can impose conditions in giving his approval, and he is in a position, with the help of the Water Resources Board, to strive to ensure really sensible co-operation and co-ordination.

330. MR. HAYDN REES: May I follow up the Chairman's questions in regard to that aspect of the water boards? Your answer, as I understand it, was that all this is done by discussion. What power have you in the Welsh Office of forcing them to come together and do what is the sensible thing—this is I think what the Chairman was getting at—what are the powers of the Welsh Office to do that?—Mr. Chairman, perhaps it is a bit unfortunate that I think I know what local problem prompts your question, and what local problem prompts Mr. Haydn Rees' question, and they are local problems of an entirely different kind.

331. You have got within your division a number of emotive problems, which are very difficult.—There are certainly problems which arise out of the past structure of the organisation for the supply of water.

332. Does it mean in fact that you have no power in effect to force the water authorities to come to what we call a just settlement?—I am not quite sure about that. I am not in a position to say positively that we have positive powers. I know that we have considerable ability to seek to use influence, and that this has been deployed in the instance which Mr. Rees has raised.

333. And you do it very well, but I think the Chairman was trying to get to the point of what power you have in fact got? Can we have a supplementary paper on that?—This is very difficult to deal with in the sort of broad terms that we have to stick to today, because the discussion gets confused by questions of time, by the difference between the old-fashioned way of providing a water supply, if I may so describe it, and the new-fashioned way to which we are changing. Certainly in any future approvals of the new style of reservoir built by a river authority the ability and power exist to ensure a very sensible arrangement.

334. CHAIRMAN: Before a reservoir is built there must be, I assume, a public inquiry?—Yes.

335. On the town and country planning aspect of it?—And on the application for the order.

336. The power rests with the Secretary of State to say aye or nay after that inquiry on the application?—Yes.

337. The Secretary of State can lay down conditions or can reject it?—Yes.

338. That is at the moment the extent of the power, effective power, which is available in the hands of the Welsh Office?—Yes.

339. Is that fair?—Yes, the initiative rests with the local body.

340. MR. HAYDN REES: To follow that, you have been asked this question, I am quite sure, time out of number. If—and I stress the "if"—there was a water board for Wales looking after all the reservoirs and controlling all the water resources, would you then have the necessary power, and would it be more efficacious for Wales to have that power?—That, Mr. Chairman, does raise some contentious matters of the kind from which a civil servant keeps carefully aloof. But the "if" must, before one could give an answer, contain some precise description of what

one contemplates as the power of such a body. Again, if this complex matter is expressed in extremely broad terms, it becomes almost impossible to attempt a precise answer to it. One would have to define in some detail what one means by such a board, what its precise functions and powers would be, before one could attempt to say whether it would improve anything that might now be thought to be in some respects less efficacious.

341. CHAIRMAN: It is going ahead to future policy, and your brief does not extend to that.

342. LORD FOOT: I have sat here as an Englishman listening with intense interest to how you deal with these water problems in Wales, but what I would like to know, and this is simply fundamental, is this: is there any difference at all between the procedures that you follow in providing a new source of water supply in Wales as compared with the procedures which are followed in England, other than that the final decision upon any draft order rests with the Secretary of State rather than with the Minister of Housing and Local Government? Is there otherwise any difference in the procedures which you follow, and is the procedure which is followed in Wales in any respect less democratic, or does it involve less consultation with the people concerned who may be involved, than is the case with the English system?—The relevant legislation is legislation applying equally to England and Wales, and therefore the procedures are exactly the same.

343. It follows therefore that, at any rate in this particular question, the Welsh people cannot complain that they are under any disadvantage to which the English people are not also subject?—Water is said to be an explosive subject in Wales, and it is also an explosive subject in some parts of England.

344. As you will be very much aware, the matter of reservoirs is an explosive subject everywhere.—Yes. —(LORD FOOT): I suppose that the only reason why it might be more explosive in Wales is because you have more water here!

345. SIR BEN BOWEN THOMAS: Is there the consideration that we should never overlook the possible needs of Wales for water that is available in Wales, and that those are considerations that need not bother England? The procedures may be the same. Am I right in saying, Mr. Siberry, that that is a factor that has to be borne

in mind when considering what use is likely to be made of water that will be conserved in the future?—Any river authority in Wales, or a river authority spanning the border and having a responsibility for the supply of water in Wales, must obviously take account very much of the needs within Wales itself. Just at this moment the most active processes of consultation that are going on, involving river authorities, water boards, the Water Resources Board and the Welsh Office, concern the ensuring of an adequate supply of water for South Wales itself.

346. DR. HUNT: May I ask one question about your roads responsibility? It has been put to us that the Welsh economy suffers a good deal from inadequate communications, and in particular that the roads in Wales are not as well developed as they might be, and are not being developed in a way that makes Wales as attractive as it might otherwise be. If this is so, is it because the Welsh Office has not thought of, or put forward the demand for, a big enough road programme in Wales, or if you *have* put forward a demand for a big enough road programme, does it mean you have been rebuffed in Whitehall?

—It is the responsibility of the Welsh Office to determine as best it can what is the need of Wales for roads, and to play its part in securing that such need is met in the consultations which obviously go on to determine what the overall levels of public expenditure should be. The only thing I can say in reply to the question is that the amount of investment in roads in Wales is steadily going up from year to year. A good deal is being done. As one moves from one year to the next, still more is done, and we hope that will continue. Since the Welsh Office has had responsibility for roads in Wales, the level of investment on roads in Wales has climbed considerably after passing a trough which nobody could do very much about. As the Commission will no doubt know, for a major scheme of road construction or improvement, from the time that one conceives the idea that it would be a good thing to do it until the time one can bring the bulldozers on the road, five years or more may elapse; so no-one can bring about immediate changes in whatever is the pattern of expenditure at the time. It takes a considerable period of time before the pattern can be significantly changed.

347. CHAIRMAN: Could you give us any information on how the Welsh Office determines the priorities in respect of road construction or improvement? What is the machinery which exists for dealing with

this? For example, many of us would say that many improvements could be made in respect of the road between here and Swansea. What is the machinery for determining that this must be dealt with?—First of all, Mr. Chairman, we have a Roads Division, and the Roads Division contains quite a substantial number of highway engineers; we have a chief road engineer, a deputy chief, and people under him. This is the essence of what they are in business for, to do their engineering studies of what is necessary, what is desirable, and what is practicable. Then you have all the local highway authorities, with county surveyors and so on, who are responsible for some of the important elements in the road pattern, so-called principal roads, and the roads of lesser category than that, and who can act as the Welsh Office agents in relation to the building of a trunk road which is entirely Welsh Office business. All the time there is consultation between our Roads Division and its road engineers and the whole local authority apparatus.

348. Does the Principality enjoy a greater degree of expertise inasmuch as the engineers are available within the Welsh Office rather than, say, in the United Kingdom as a whole?—That is something about which I really do not know enough to be able to express a confident opinion. But in response to the question perhaps I should say that things have changed rather significantly in England in recent years, in that there have been set up in many parts of England bodies called road construction units, which are a kind of amalgam of the Ministry of Transport and the local authority, to plan and design roads. I would not like to say whether we are better or worse placed.

349. SIR BEN BOWEN THOMAS: Are we able to take up all the money allocated every year for road building?—I look to my finance colleagues. I do not think we fail to spend much of what we are enabled to spend.

350. Our building capacity is up to potential?—Yes.

351. Are there some parts of the country where, for lack of perhaps engineers and so on, they are not able to take up the allocation?—Local lack of engineers is not necessarily a problem, certainly in relation to the bigger jobs. When a local authority, or even a Government Department, does not think it is equipped with all the technical and professional expertise it might require, it makes use of consultants.

352. PROFESSOR REES: Do you feel reasonably sanguine that if the Principality was not as well served in its roads system in the past, there are means by which we can catch up with the rest of the U.K.? You have spoken about the technical expertise that exists within the command of the Welsh Office, and I take it that proposals for new roads depend upon the technical weight of traffic considerations, economic development, and so on, rather than upon political considerations determined by the number of people on the ground, as it were, or the square mileage involved in these things?—For any major road job in Wales we have to have and show an adequate economic justification, but I am a little puzzled by the notion of catching up with the rest of the U.K. One has to be, I think, subjective about this.

353. If we felt that our roads system, as it is sometimes alleged, is inferior to that of the rest of the U.K., then by means of present procedures it would be possible to put an adequate and fair case before the authorities to enable us to get a larger proportionate amount of U.K. expenditure over, say, a five-year period?—Theoretically I think that can be said to be the position. The level of investment in road construction in Wales, or England and Scotland, is determined by the amount of work that can be shown to need to be done, and shown to meet criteria of an economic kind. If in fact it could be shown that on those criteria there was proportionately more which needed to be done in Wales than elsewhere, your assumption is implicit in the way the matter is tackled now. But it has to be demonstrated that on those criteria we would be able to show a significantly greater need. There are plenty of grumbles all over the U.K. about roads, and they are not confined to Wales. I do not want to invite any questions, Mr. Chairman, but I thought my colleague, Mr. Evans, was turning a question from Professor Rees to me on local authority finance.

354. PROFESSOR REES: My question was really whether the local authorities in Wales obtain a proportionately greater amount of money than the U.K. authorities generally?—This information is made publicly available in an annual document published by the Stationery Office—Local Government Financial Statistics, England and Wales.

355. CHAIRMAN: What does it reveal by and large?—There are two tables in it that Professor Rees might find interesting and which provide a rather broad summary. One is for England, on pages 22 and 23,

and the other is the comparable table for Wales on pages 34 and 35. In substance they take all the mass of detail in this document and divide the total income of local authorities into three categories—the amount coming from rates, the amount coming from rents and trading services, and the amount coming from government subsidies. If you care to do the arithmetic on these published figures, you will find what you are seeking. It works out something like this: in 1967/68, of the total income

of local authorities in England, 36 per cent came from rates, 20 per cent from rents and trading services, and 44 per cent from government grants and subsidies. The corresponding percentages for Wales were 28 per cent from rates, 18 per cent from rents and trading services, and 54 per cent from government grants and subsidies.

CHAIRMAN: Thank you very much Mr. Siberry.

(The witness withdrew)

MR. D. G. McPHERSON CALLED AND EXAMINED

356. CHAIRMAN: Mr. McPherson, you are the Under-Secretary in charge of the Health Department concerned with hospitals, general practitioner services, local authority health and welfare services? —Yes, sir.

357. Is it correct that on 1st April of this year the Secretary of State for Wales became responsible for health and welfare services in Wales? —Yes.

358. That was a new departure? —Yes.

359. And a new responsibility that was taken over by the Welsh Office and the Secretary of State for Wales. It seems that at this juncture hospitals are very much a matter of discussion in view of the proposals which have been recently announced. I would like you to tell us how proposals come about, the proposals for West Wales, the proposals for the Cardiff area, and so on? Are these proposals initiated by the Health Department, or by the Hospital Board in consultation with the Health Department or by a 'government body'? And I want to couple with that, how much of the general opinion and views of people at large is taken into account in the determination of the proposals? —There is a development over a period of years in the plans, and I think one wants to go back to somewhere around 1962 or earlier when a hospital plan was published for England and Wales. This was based on a survey of the existing hospitals and the needs in each area. It assessed for the next 10 years, what were the more pressing problems, and what perhaps could be deferred. There was a section of the plan for each region of England and Wales setting out what were the broad objectives over the next few years, but also, of course, inviting consultation and without putting any firm date on proposals, or on the consequences of proposals, for new hospitals. The Hospital Board, the Welsh Hospital Board

in the case of Wales, is responsible for the planning and the management of the hospital service to the Secretary of State. The Welsh Office acts as the Secretary of State's office in this respect, as a channel of communication and of oversight of the work of the Hospital Board. The Hospital Board propose the detailed plans. This inevitably involves a great deal of consultation. The plans can hardly be formulated as ideas until you have spoken to local people—the doctors who are concerned with the service which is being given locally; the hospital management committees that are running local hospital services; the general practitioners who are working in association with the hospitals. All this, even at the very formative stage, involves a good deal of talking in a most informal way. Then, when the plans have crystallised, one has a more formal consultation, and people are asked to give more precisely their views on developing the service in a certain way. When a new hospital is to be built somewhere, almost invariably there will be consequences. Some other hospital may have to be closed, or its hospital use may have to be changed or it may become available for some other purpose in the health service. All these things have to be discussed locally. In the process there comes a stage when the Hospital Board says, "We have done our informal talking, we have done our planning, we now have firm ideas. Secretary of State, may we have your permission now to go to formal consultation with these plans?"

360. Formal consultation with whom? —Formal consultation with the neighbourhood, the public. The formal consultation is an invitation to those bodies which may be directly concerned, and also to the public generally, to give their views on the plans.

361. In other words, the plans or proposals are made public? —Yes.

362. And then an invitation is extended for the public to make its representations in the best manner possible?—Yes.

363. How are these representations made? Is it merely by expression of views in newspapers, or is an inquiry instituted in the respective areas at which people are welcome to express their views?—There is no precise pattern. The views will be expressed in writing for the most part, by people writing to the regional hospital board. Bodies may seek to send delegations to the regional hospital board, and the regional hospital board will receive them and listen to them. It is possible that there will be public meetings at this stage and views will be expressed at public meetings and transmitted to the regional hospital board and will slip out in the papers, but there is no form of public inquiry. The views expressed are collected by the regional hospital board. Those views are considered by the hospital board, and they make their recommendations taking those views and all the other factors into account. These recommendations are transmitted to the Welsh Office, with supporting information about the views which have been expressed, for the decision of the Secretary of State.

364. MR. HAYDN REES: To what extent has the Welsh Office got to comply with directions from the Ministry of Health, or whatever organisation or Ministry has now taken its place? Do you exercise your duties as a right, or have you to comply with broad direction from above? Following what the Chairman has said, for instance, do they say to you, "Look here, you have got to have a new policy for hospitals. This will involve the closure of hospitals." Do they say that, or do you initiate action in the first place here?—The Secretary of State for Health and Social Services is responsible for the health service in England and Wales, but the Secretary of State for Wales is responsible for its application in Wales and for matters which concern Wales. The Secretary of State for Social Services will consult with the Secretary of State for Wales in the determination of broad policy. In the application of the broad policy in Wales the Secretary of State for Wales is responsible.

365. Broad policy first comes from above, that is the point I am getting at?—I do not know whether I should agree with the words "comes from above" in quite that sense. The Secretary of State for Wales is involved in the determination of that broad policy, and the broad policy is a matter for Government.

366. CHAIRMAN: Mr. McPherson, what I think Mr. Rees is putting to you is this: let us assume broad policy in a major centre means the closure of neighbouring hospitals. Would that be a broad policy, or would it not?—I do not think that the broad policy has ever been presented in that form. The broad policy at its very broadest is that the people shall have a comprehensive health service. When one comes to apply it in Wales, then one has to have regard to the local circumstances in Wales. You have to have regard to where your population are and how they are distributed over the country, and you have to do your best to provide a service for them.

367. It could be a pattern that is very different from the pattern in East Anglia or some other part of the country?—Certainly one would hope it would be a different pattern; equally one would hope East Anglia would evolve a pattern which would suit them. The machinery in fact is designed so that one can have this degree of adjustment according to local circumstances. This is why there are regional hospital boards. There is the Welsh Hospital Board for Wales, but one also has a hospital board for the South West of England; and altogether there are 14 hospital boards in England, each one concerned with planning the hospital service in its own area according to its own requirements.

368. LORD FOOT: May I ask a similar question to the one I asked Mr. Siberry? Would it be right to say, both as regards this general planning about future regional needs, and in the working of the procedures of the hospital boards, for instance in deciding such questions as where you are going to build a new hospital, that the procedures operating in Wales are precisely the same as the procedures which are operating in England?—They differ to the extent that we have a Secretary of State for Wales who is responsible, and this does make a difference in the local context.

369. Yes, I should have made that qualification. That really is the only major difference in the procedures, is it not?—Yes, it is the only difference.

370. Are you conscious at all in working these similar procedures in Wales, that Wales is at any disadvantage, and that the interests of the Welsh people are not as well looked after as the interests of the English people in this field?—When I say that the procedures are the same as

they are in England, this is so over the broad field, because it is the consensus of opinion that this is the way to do it; but in detail we are able to modify and introduce changes for our local circumstances, so that there are advantages, I would hope, deriving from the fact that we have got a Welsh Office that can do this. We in Wales can, and do, call meetings of medical officers of health for Wales, and of the Executive Councils for Wales to discuss matters of concern to them in Wales. We can take advantage of all this, and I hope that to some extent we can therefore improve on what is done and what is possible in a larger country.

371. One of the broad questions which we have to consider is whether it would be right to say that the people of Wales are under some disadvantage in any particular field. So far as the administration of the health service in Wales today is concerned, you would think that possibly the advantage is with the Welsh people rather than the disadvantage?—I would hope so; that would be my endeavour.

372. CHAIRMAN: You have a hospital board for each area I assume?—Yes.

373. It is equivalent to the Welsh Hospital Board?—Yes.

374. The Secretary of State for Wales is nearer to the people than the Minister of Health or the equivalent in England? —Yes, that is precisely it.

375. DR. HUNT: Could I ask Mr. McPherson a question about the Welsh Hospital Board which is responsible for planning and management of the hospital service. Could I ask how appointments are made to the Welsh Hospital Board, who are the members of it, and how you set about determining who shall be on it?—The appointments are made by the Secretary of State. He appoints the Chairman specifically and the other members of the Hospital Board. There is rotation. A certain proportion retire each year, and a good deal of consultation goes on as to who should be recommended for membership, and who then the Secretary of State will select.

376. Broadly speaking it would be true to say the permanent officials in the Welsh Office put up recommendations to the Secretary of State after consultations have been carried out?—Yes. Of course the ultimate objective is to have people who can make a real contribution to the running of the health service, but also in doing that

to ensure that the various parts of Wales are represented on the Board; that there is professional representation, that there is representation of the sort of people who are really interested in the health service, the voluntary services that are associated with it, the trade unions that have always taken an interest in the hospitals in Wales, and the local authorities of course. In the nature of things many of the members are drawn from people who are interested in local authority affairs. .

377. Within these consultations and in reaching a final decision is the awkward customer often left out. Is there a danger that this may happen?—I have never been conscious of that one. It can work both ways, can it not? It sometimes is easier if you have the difficult or awkward customer at the table with you. So I have not been conscious of any consideration of that sort entering into the appointments. I am sure its objective is essentially to have a regional hospital board with members who can all contribute and who will contribute.

378. There are a large number of these advisory councils or committees of this kind in Wales—as indeed there are in England—and none of them is an elected body. All are appointed, in effect very much behind the scenes. This is not necessarily saying that there is something wrong in that, but do you think it is a right process, and do you prefer this process to perhaps an elected one?—I do not think it is for me to express a real opinion on that, but there are some considerations that one has to bear in mind. There is responsibility for a large sum of money, and the lines of responsibility ought to be clear. The Secretary of State is responsible to Parliament for the expenditure of this money, and he has in the Hospital Board a body of his nominees, for whom he is responsible in effect; that is an important consideration. Then there are so many interests that have to be considered when you are building up your Hospital Board. It is not just a case of drawing people from a certain area or from generally all over Wales. You want to do that, but you also want to have somebody who knows something about the health service, you want to have some of the professions represented, you want to have other interests represented as well.

379. Another way of doing this without getting into direct election would be to invite interested groups to nominate people themselves; that is, if you want doctors represented, then you invite a doctors' organisation, to nominate X, rather than

choose X yourself?—That would be one way of doing it. Perhaps the first consideration that I mentioned, which is the determination of a clear line of responsibility, is one of the reasons why the Secretary of State does the selecting, rather than just take nominations.

380. SIR BEN BOWEN THOMAS: May I say, very improperly, that I have always been surprised as a member of the Council of the National School of Medicine in Wales that this body is not allowed to nominate anybody on to the Welsh Hospital Board. It is invited to put up names, but those names are never included in the people who are nominated.—There are representatives of the National School of Medicine on the Hospital Board, the Provost for example. In Wales, in addition to the Hospital Board, there is the teaching hospital. The university have representatives on the Board of Governors of the teaching hospital, and there is a substantial cross-membership between the Board of Governors who run the teaching hospital and the Hospital Board.

381. DR. HUNT: There must always be a suspicion about advisory bodies, if they are selected by the Secretary of State, that he puts on these bodies those he actually wants to advise him, rather than having a much more independent advisory body containing nominees of other interests. If you want a representative from a particular organisation, knowing that the organisation have something to contribute, why not ask the organisation to nominate that person?—I cannot comment on suspicions, but rather than stop at just that point, I would like to reiterate what I was saying before, that the objective undoubtedly is to appoint people who really can contribute to the development of the health service.

382. LORD FOOT: Have they any security of tenure once nominated?—There is no security of tenure. The appointments are for three years. It is unusual to change a nomination after only one term of office.

383. LORD FOOT: Have there been cases in which somebody has been thrown out during his three years?—(SIR BEN BOWEN THOMAS): There have been cases of people throwing themselves out!—I am sure that things of this sort are done behind the scenes, and it does not really appear in that way.

384. CHAIRMAN: May I come, Mr. McPherson, to a matter which may be of

assistance, and that is the share of finance for the health service in Wales. How is this calculated, and what negotiation takes place to obtain the maximum for the services in Wales?—To some extent this controls itself. Taking the general practitioner service, the remuneration of the doctors is settled by the Review Body, and, of course, the doctors have clinical freedom for treatment. That side of the service for the most part is money which comes according to the needs. The local authorities to some extent—to a very large extent—control their own programme and their own expenditure. The limitations are rather on national policy lines of how much loan sanction can be allowed.

385. What aspects of the health service would local authorities be dealing with?—Local authorities would be dealing with vaccinations and public health, with health centres and health clinics, the provision of home nurses, health visitors, things of that sort. So far as it is current expenditure it is very much a matter in the hands of the local authority; so far as it is capital expenditure it is a question of how much loan sanction they can get. In the hospital programme it is rather different. Here there is a national cake of course. Again it stems from the plans which were prepared some years ago as a result of looking at the hospitals and assessing the needs in the different areas. Planning has proceeded on the basis that over the coming years a certain amount of money will become available, within broad limits, to give a general pattern for the programme, and then from year to year this programme is advanced and firmed up for the next two or three years. It is a programme, as I say, which is really built up from the needs. Relative to other areas in England we see that the money which we are getting is broadly comparable. We think that we may even be getting a little more in some directions.

386. SIR BEN BOWEN THOMAS: May I ask a question on the border problem? We have this great eastern border with Wales impinging upon England and the many facilities there. Does the availability of those facilities enter into your calculations? For example, in North Wales you cannot get away from Chester, or Liverpool and Manchester, and in Mid-Wales you cannot get away from Shrewsbury. The general point is whether in considering the medical services available for Wales as a whole, account has to be taken of the existence of facilities along the border. To what extent are those regarded as absolutely necessary factors and

to what extent do they enter into the plans? —They do enter into our considerations, of course. It is a fact that patients from North Wales do to go Liverpool particularly, and Shrewsbury does provide a service for a fair part of central Wales, and these are factors which one certainly has to take into account.

387. How do you work that administratively? Is there consultation, and with whom? With the Ministry of Social Services in London? —There is a considerable channel of communication between ourselves, the Welsh Office, and with the London D.H.S.S., but there is direct communication also between the Hospital Board and the hospital boards on its boundaries. In fact the Welsh Hospital Board includes on its membership one

of the consultants from the Liverpool hospital.

388. Dr. Emlyn Wynne-Jones? —Yes, which is a recognition of the very close link established there between Liverpool and North Wales.

389. MR. HAYDN REES: From Flintshire you are able to reserve a certain proportion of beds at Chester and Liverpool for those patients, and there is agreement and consultation? —Yes. (SIR BEN BOWEN THOMAS): We can never be self-contained in these matters.

CHAIRMAN: Thank you very much.

(The witness withdrew)

MR. IDRIS DAVEY CALLED AND EXAMINED

390. CHAIRMAN: Mr. Davey, you are the Establishment Officer concerned with recruitment, training, conditions of staff, accommodation and office services. The matters you deal with are set out in Chapter V of the written evidence, and I will ask Sir Ben Bowen Thomas to put certain questions to you.

391. SIR BEN BOWEN THOMAS: In order to clarify my mind, am I right in saying your own establishment responsibilities are limited to the Welsh Office? —That is so.

392. The 756 bodies that are mentioned in Table 5? —Yes.

393. Is there evolving any kind of interrelationship between Departments in Wales on question of staff, transferability, and so on? —Not really, this is very difficult. It is governed by Civil Service Department arrangements for interchange of staff between Departments. Internal promotion really is the order of the day in most Departments. The Civil Service Department run a Treasury pooling arrangement for certain grades, and we have taken staff from other Departments via those Treasury pooling arrangements. In the building up of the Welsh Office, at a time when we had a large number of vacancies, we took in a fair number of people from other Departments in Cardiff, but, as a general rule, there is not any Welsh sort of circle from which we take people from other Departments in Wales.

394. Naturally one has the Scottish Office system in mind. We know that while

the Scottish Office is not absolutely self-contained it is big enough to ensure a career to young people who enter and are moved around from one Department to another? —Yes.

395. I suppose you are some way from that possibility in Wales at the moment? —Yes. As a Department we are, of course, small by Civil Service standards. Generally I would think we could give a good career to people coming in at the clerical and executive grades. I think we are getting to the point where we could give a good career in the administrative grade, allowing for certain periods out of the Department in order to give people particular types of experience which they would not otherwise get. I think this would be our aim. Our trouble is of course to recruit administrative staff.

396. Will you go on to that, Mr. Davey? You are having difficulty in recruitment? —In common with the Civil Service Department as a whole; I think they find it difficult to get Welsh people to enter the Administrative Civil Service. There is no problem as far as we are concerned in either the clerical or executive grades. The numbers required, even in the executive grade, are comparatively small each year, and for clerical work, of course, in a place like Cardiff it is not difficult for us to get good quality people. In the administrative grade there is a marked reluctance, I think, on the part of Welsh graduates to consider the Civil Service as a career. I myself went around the colleges of the University of Wales with the Civil Service Commission again recently to try to put this right. I

have been doing it for a few years now. We generally get an audience of about 30 undergraduates, and the numbers of people trying the competition are very small.

397. Could you give us an indication of the numbers? Are they tending to go up?—I have not got numbers of entries to the Civil Service competition.

398. Thenumbers who tried, who offered themselves?—I have not got those; they are Civil Service Commission figures. I have some figures here of the successes that I have been able to trace from the names, and so on, of the successful entrants. Relating this to Welsh schools and universities . . .

399. For clerical and executive?—No, administrative. In 1964 there was not a single success; in 1965 there was one; in 1966 there were two; in 1967 there were two; in 1968 there were four. Now of course some of those will be English students in Welsh universities. So far we have failed to attract a single Welsh Assistant Principal to the Welsh Office. We had an Assistant Principal assigned to us from the Civil Service Commission this year, but she had no previous connection with Wales. She just came to Cardiff and talked to us about the Welsh Office and was interested in us, and accepted an assignment to the Welsh Office.

400. CHAIRMAN: How do you recruit staff if you are having such difficulties with the university?—Through the Civil Service Commission. This is the way all permanent civil servants are recruited, but we have had to import from other Departments.

401. PROFESSOR REES: You do take mature entrants?—Yes. The position has not been quite as bad with the direct entry Principal competition. In fact we have had a number of people opt to come to the Welsh Office from the direct entry Principal competition. They are usually people who are Welsh and have worked in Wales, or are working in Wales.

402. SIR BEN BOWEN THOMAS: Where would these people come from?—Lecturers in colleges, ex-overseas Civil Service people who are Welsh, people of these types.

403. PROFESSOR REES: Are you committed to advertising for these separately?—No, they are recruited through Civil Service competition, but Civil Service literature explains to people that the Welsh

Office is a separate Department and that there are opportunities in the Welsh Office for people who want an administrative career.

404. DR. HUNT: You gave those very illuminating figures for successes from Wales through the administrative class competition. Would it be possible to find out how many from Wales had actually tried and applied?—Yes, I think I can get that from the Civil Service Commission.

405. It would be illuminating indeed if we found, for example, 20 or 30 graduates from Wales each year had tried to get into the administrative class, and simply had not been successful.—I think you will find the numbers are small, but I will get those figures and give them to the Secretary. I will have to get them from the Civil Service Commission.*

406. SIR BEN BOWEN THOMAS: Following on that, I was going to ask whether the availability of staff may be a difficulty for the office in expansion, bearing in mind the digestion problem that Mr. Hywel Evans mentioned earlier. In addition to the difficulties of digestion, I was wondering whether there were difficulties also in the availability of staff?—I do not really know how much of this is a chicken and egg situation, whether, if we had a Department big enough, or comparable with the Scottish Office, we would attract more people, because this obviously would provide better career prospects. I think that in the interim we have to try and attract into the Welsh Office some of the people who are interested in Wales and work in other Departments; there are Welsh people working as Principals, Assistant Secretaries, and so on, in some of the London Departments.

407. DR. HUNT: Do you see it as a desirable objective in the longer term, if there is this expansion, that the Welsh Office, however many Departments it may flower out into, should be very predominantly staffed by people from Wales?—Not necessarily people from Wales, but those with an interest in Wales. I would not want it to be a qualification for recruitment that people were born in Wales. I think it adds to their usefulness if they know Wales, if only the geography of Wales; this would add to their usefulness right from the start, but I do not think we would want to put up any barriers. I think the essential criterion is that they are good people.

*This information is reproduced at Appendix B.

408. How much interchange would you expect to see ideally between the Welsh Office and the different Departments in England? Would you want to see a great deal of interchange of staff, or not?—What I would work to, certainly in the case of Assistant Principals in their four years or so of training before they become Principals, is at least giving them a year of that formative period in a major Government Department in London. I think they would get experience there that they would not get in a small Department such as ours. There are all sorts of ways in which this could be done. If we wanted people with experience in personnel work, there are opportunities for seconding them to the Civil Service Department. London Departments, like the Treasury, the Civil Service Department and so on, take in and feed out a large number of people, and we would hope to take part in that sort of arrangement. I have not got down to thinking about numbers.

409. A lot of work is going on in the Civil Service Department about what parts, if any, of the Fulton Committee recommendations to implement. How far is the Welsh Office being brought into those consultations?—We see all the papers that are going around on Fulton; the Permanent Secretary spends three days of his week in London and we are in pretty close touch with the arrangements at Permanent Secretary level, but we are not directly represented on any of the Fulton committees.

410. SIR BEN BOWEN THOMAS: Has increasing administrative devolution meant an absolute increase in the number of civil servants?—Yes.

411. Consequently an increase in costs?—That is so. As an example, when we took over the health functions in April of this year there was a net addition to the staff of somewhere between 20 and 25, it was of that order.

412. CHAIRMAN: How did you recruit those particular staff, because it is a very substantial figure?—Some of the posts were filled by promotion from within, so that the net increase was at the bottom of the scale; but there was also quite an increase in administration, and we imported some people at the top.

413. SIR BEN BOWEN THOMAS: It is interesting that the importations should have been at the top, is it not?—I think this is inevitable. When you take over policy functions, it is people experienced in doing policy work that you

want, and therefore we had to import experienced people at the top.

414. Have you made any forecasts as to your additional capacity, the numbers you can assimilate, what rate of expansion you anticipate in staff, and how much it is going to cost?—If we take education, for instance, I think it is only the Education Department who could tell us what the net increase in staff would be if they hived off education to the Welsh Office. At the time of the absorption of health functions we did a joint exercise with the old Welsh Board of Health, the Ministry of Health, the Civil Service Department and the Welsh Office to arrive at a figure of net increase in staff, and we would have to do such an exercise, I think, with any other Department that we expected to take over. Once you get your numbers and levels, it is not a difficult thing to do the costing.

415. This is a sensitive point, and we would be very much helped if we had some kind of estimate of what it would mean in staff.—Yes.

416. CHAIRMAN: Could we have the growth figures since the Secretary of State started as a proper Department, the growth from year to year?—Yes, we can supply those figures.

417. DR. HUNT: When you took over the health responsibility, you had increases of staff of between 20 and 25. Now I take it that when taking over these functions there was not a compensatory reduction somewhere else of precisely the same amount?—This was a net increase.

418. The number of civil servants increased as a result of the splitting off or hiving off of functions, so that it would be important in any figures that were produced to have both sides of this equation.—Yes.

419. CHAIRMAN: There would be a decrease in some Departments in London?—This is difficult. If you take away part of a man's work which is assessed on a geographical basis, it is really difficult . . .

420. MR. HAYDN REES: Take roads as an instance. We used to have to go up to London to talk to people there on roads.—Yes.

421. And there must have been at least half a dozen people that I used to see who dealt with roads.—Yes.

422. The Chairman says that there should be a net reduction somewhere, and it is very important that we do not have a slant which merely says that the Secretary of State has added to his staff and nobody else has reduced it. In local government we have a fairly free hand on recruiting. Would you think it would be a good thing if you had a free hand in recruiting? What I would have thought is that you would have a better chance, throughout even Wales alone, if you had a free hand in making your own approaches instead of relying on a central body. Take advertisements, the advertisements for staff are not terribly good. In local government I think you will agree that we are enabled to approach it in a rather more individual way, a more attractive way possibly.—It depends whether people would be attracted to a career which was entirely Welsh Office based. If you are recruited by the Civil Service Commission, you are recruited as part of the U.K. Civil Service. Therefore you are part of this big entity, and there are advantages in this.

423. DR. HUNT: Is it not true to say that, as far as clerical and executive staff are concerned, there really is local recruitment? —Yes, this is done through the Civil Service Commission, but it is done by local boards on which we have representatives. The fact that there are vacancies in the Welsh Office, I suppose, makes it easy in Cardiff. When they have a local competition they declare the vacancies for the different Departments, and people choose the Department to which they want to go.

424. MR. HAYDN REES: You do not think that Cardiff is a more difficult place to attract people to than Mold in North Wales? —It is an interesting thing. I am often asked why we get so few people from North Wales opting to come in at the clerical and executive grade, but generally they would opt for the Departments which have local offices, so that they can live at home; because, after all, if they have to pay for lodgings out of their salaries when they start, this is quite significant.

425. DR. HUNT: How far is it a deterrent to recruiting in the executive class in Wales that the Executive Officer can be drafted to serve anywhere, as opposed to the Clerical Officer who can stay in one place? —In practice people who come to us as Clerical or Executive Officers tend to make their careers in the Welsh Office, though they may go out for specific purposes; we give them a spell in our London office where this can be arranged. We try to give

them as wide an experience as possible, and at the clerical and executive grades I think we can provide a pretty good career within the Welsh Office. So they tend not to want to go outside, although with the dispersal of offices to Wales, when Departments do a trawl for officers in this area, I expect we shall get some people wanting to go out, on promotion usually.

426. CHAIRMAN: I do not know whether this is within your province, but I suppose we in Wales can take justifiable pride in the expansion of the Welsh Office. Are there plans for further accommodation in the City of Cardiff for the digestion of what may be anticipated in the future, and how do you find Cardiff as a centre for administration in Wales? —Cardiff is convenient, certainly for the higher staff of the Welsh Office, because of the amount of traffic between Cardiff and London, using the rail service. There are very few senior people in the Welsh Office who do not have to travel up to London most weeks, and in that sense Cardiff is a good centre. We are beset by accommodation problems, like a good many other organisations in a period of expansion, and we are dispersed over several buildings in this City. The Ministry of Public Building and Works are responsible for accommodation for all Government Departments, and they have been engaging architects to draw up plans for new government offices in Cathays Park on the site behind the Welsh Office. This is not programmed to be in use until 1975. Until 1975 we shall be hard pressed on the accommodation side.

427. May I ask this: have you made provision in those plans for a council chamber of some kind? —Yes.

428. PROFESSOR REES: Are you affected at all by economies in the Welsh Office, in so far as it is a microcosm of Whitehall? This is, I know, a rather difficult thing to measure actually, but do you have a hunch about this? Is your degree of specialisation less in Cardiff than it would be in Whitehall? —This is always a difficult thing in a small office. People have to cover a very much wider range of duties. For instance, we have one Principal who deals with housing in Wales, and I suppose there are about a dozen dealing with housing in the Ministry of Housing and Local Government. They are all experts in some particular branch of housing, in addition to their other range of duties, but the Principal who deals with housing in Wales cannot be very much less expert in these special subjects; otherwise

he cannot hold his own. It is an advantage in some senses; you get a pretty broad view.

429. DR. HUNT: When you say that your Principal has to be expert on a wide range of housing problems, and there may be twelve Principals in London who are dealing with these different things, one of the keys to this is how long your Principal stays in his job, compared with how long the twelve Principals in London stay in their jobs. One of the things that came out of the Fulton Committee Report was that in London, at any rate at the Whitehall end, one Principal tended to stay in a job 2-8 years. Now he does not become very expert in 2-8 years. If your Principal stays longer than that, he has really got the edge on his London counterpart.—To take my own example, I have been in the service 21 years, and of that period I would say that 15 years have been on or associated with, local government.

430. That would be a longer spell than many of your counterparts in London have had.—Yes.

431. Therefore, although you might have been covering a broader span, you could say that you were a bigger expert than they were?—That is not for me to say.

432. It might well be said.—Yes, I take the point. I would like to think so anyway.

433. SIR BEN BOWEN THOMAS: On page 12 of the Welsh Office evidence, it says: "The Secretary of State is responsible for the formulation of Government policy towards the use of the Welsh language." You as Establishment Officer

presumably would have considerations of that kind in mind. To what extent have you?—I am not responsible for Welsh language policy in the Welsh Office. All I can tell you is in relation to recruitment, to staff. About 10 per cent of our staff are reasonably fluent in the Welsh language, I would say, but it is not a condition of employment, except in a very limited field such as our translators. We have specialist translators in the Information Division, and they of course must have proficiency in the Welsh language.

434. To what extent, this being a general responsibility, does the Secretary of State by way of oversight concern himself with what is happening in other Departments? —I do not think I am the man to ask about language policy in general, but there was a circular which went out very widely the other day on Welsh language policy. This went to local authorities and similar bodies. It was not my particular responsibility, although I know of it.

435. PROFESSOR REES: Does the dispersal of offices raise some questions of efficiency? You have some transport functions in Bristol?—We have not.

436. Outside Cardiff, it is only the Aberystwyth office of the Ministry of Agriculture then with which you need to keep in close touch?—I have no responsibility for any staff in Aberystwyth at all.

437. CHAIRMAN: Thank you, Mr. Davey, for your assistance. —I will put the promised figures in to the Secretary.

(The witness withdrew)

MR. W. BRENIG JONES CALLED AND EXAMINED
(ACCOMPANIED BY MR. J. W. M. SIBERRY),

438. CHAIRMAN: Mr. Brenig Jones, you are the Finance Officer in executive charge of the Finance Division as a Principal Executive Officer. The first matter which you might deal with is how Welsh financial needs are assessed and met.—(MR. BRENIG JONES): In answering that, sir, one must, I suggest, consider in the first place public expenditure generally, since Welsh financial needs must find their place in that. I could, if you wish, give some general background on this. I think my best course is to refer to the First Report from the Select Committee on Procedure on the Scrutiny of Public Expenditure and Administration (HC 410, Session 1968-69). This Report contains a memorandum by

the Treasury on "The Planning and Control of Public Expenditure". A similar memorandum was provided by the Treasury for the Select Committee on Scottish Affairs. If I may, I would like to read a paragraph from it:—

"The subject is a wide one and for purposes of discussion may be divided into several specific aspects, although in practice these aspects are not separable:

- (a) Decisions about the aggregate of public sector expenditure in relation to other claims on national resources;
- (b) The disposition of this aggregate between the various services for

- which the Government is directly or indirectly responsible;
- (c) The need for an organisation which can ensure the effective integration of decisions on (a) with the planning and implementation, by the many authorities concerned, of the wide range of services covered by (b);
- (d) The need to ensure that public authorities get maximum value for money, and that expenditures are carried out with proper economy. (The Estimates Committee and Public Accounts Committee are both concerned with these aspects. Normally both Committees are concerned primarily with Vote expenditure, i.e. about 60-65 per cent of total public expenditure. The Estimates Committee also considers questions relating to the form of the Estimates);
- (e) The process of verifying that expenditures have been carried out as laid down by Parliament: this has long been the responsibility of the Public Accounts Committee, supported by the Comptroller and Auditor General."

The memorandum goes on to deal with the historical background and the setting up of the Committee on the Control of Public Expenditure under Lord Plowden in 1959. The Report of that Committee was published in July 1961 (Cmnd. 1432), and the main conclusion of the Report was:—

"... that decisions involving substantial future expenditure should always be taken in the light of surveys of public expenditure as a whole, over a period of years, and in relation to the prospective resources. Public expenditure decisions, whether they be in defence or education or overseas aid or agriculture or pensions or anything else, should never be taken without consideration of (a) what the country can afford over a period of years having regard to prospective resources and (b) the relative importance of one kind of expenditure against another. This may appear to be self-evident, but in administrative (and, we would hazard the opinion, in political) terms it is not easy to carry out."

Following that, and this brings us more or less up to date, the system was adopted of conducting Annual Public Expenditure Surveys. The results of some of these surveys have been published, and the

Government has announced its intention to publish the results annually in future as a White Paper. The first of these has been promised for later this year.*

439. Does that apply specifically to Wales as an entity?—No, this is a general one. During the Debate on the Report of the Select Committee on Procedure on the 21st October, it was announced that there would be a two day debate on the White Paper. I should perhaps mention that the proposal to issue a White Paper was dealt with in the Green Paper presented to Parliament last April, entitled "Public Expenditure—A New Presentation" (Cmnd 4017). It explained that it is the intention that the White Paper should give figures for the year preceding publication, that is 1968/69 for this year's paper, the year of publication, 1969/70, and each of the following four years, 1970/71, 1971/72, 1972/73, and 1973/74. The current and the two following years will be the period for which the Government will have taken decisions, and the figures for years four and five will represent projections of the cost of present policies, but not decisions.

440. How does this bring us to an assessment of the financial needs of Wales?—May I go on to the next part, and I think then it will be clear. As I have said, the P.E.S.C. surveys are conducted annually. They start off at the end of February with the Departments, including the Welsh Office, the Scottish Office, the Department of Education and Science, and so on, submitting expenditure returns to the Treasury. These reflect the financial needs as assessed by Departments, which brings us back to your question. On that, one must, I think, look at the various Welsh Office programmes separately, but, generally speaking, the method is similar for each of them. Each programme is built up from a detailed and factual analysis of what the Department and the individual local authorities, and other bodies for which it has responsibility, are in fact planning to do, what they have planned two or three years ago, or have in hand, and where their plans will take them in the next few years. Coming to the individual programmes and the building up of the figures . . .

441. May I pause there? There is a great deal to digest here. Is it that you try and make bigger and better plans, and that there is greater expectation at the end of the day?—(MR. SIBERRY): What this amounts to is that, within a pattern which

*Cmnd. 4234

the Government determines for the control of public expenditure as a whole, a formulation of each Department's requirements is built up through the Department. I presume, without having experience of local authority work, that much the same thing happens in the local authority sphere.

442. Let us assume that a local authority has ambitious plans, such as developing a centre for government, perhaps in Flintshire, with wonderful law courts, the pride of the county. Because this is an ambitious and wonderful project, eventually the grant or the money is forthcoming to enable it to be achieved. Therefore, if there is bigger and better planning, does this lead to getting more money?—In a Department such as the Welsh Office, the process of formulating requirements is indeed very largely a matter of appraising and calculating what local authorities tell us about their requirements, but it is never quite as simple as that. One does not build it up in detail so fine as to include what we know Flintshire would like to do next year in the way of building a new home for judges, or whatever it might be. There are occasions when, coming downwards now from this overall control in the total government expenditure, we have to say to the local authority, "No, we are sorry, you cannot have the loan sanction which you require in order to build" and it is often this, the ministerial consent to the local authority to raise a loan for a particular project, rather than a grant, which determines when a project can go ahead. With Flintshire, it took them quite a few years to persuade the Welsh Office to give this consent on the particular project you mentioned.

443. Could we return now to Mr. Brenig Jones's statement? You were proceeding with another part?—(MR. BRENIG JONES): Just to say that for this building up of the figures we in the Finance Division have to rely upon the administrative divisions, the Roads Division, the Local Government Division, the Health Department, and so on. We are merely the channel for bringing all these together, and it is for the administrative divisions—that is why Mr. Siberry has come to sit beside me—to justify the programmes and the figures that they are putting forward. These figures have to be fitted in, as I say, to the whole of the P.E.S.C. exercise.

444. Who determines in your Department whether it is A, B or C who is going to have the first priority on certain schemes or certain plans?—This depends on what the scheme is. If we are talking about

just road schemes, then the priority would be decided by the people in the Roads Division, responsible upwards eventually to the Secretary of State. If there was cross-responsibility and a question of choosing between offices, shall we say, and roads, this again would be on Mr. Siberry's side; but I do not think we would often get a situation in which one would have to choose between a road and an office block.

445. DR. HUNT: Have you really got power to do that? To take this P.E.S.C. exercise, so far as it is ironed out in London it is done on a functional basis, with so much for education, or different parts of education, for this year, for next year, and so on for the five year period. It is expressed in terms of education, transport and other services, and not in terms of a block amount for Wales to cover all of them. —That is true.

446. When the thing has been decided you do not have power in the Welsh Office —correct me if I am wrong—to say, "Well we have got £X million for Wales, and in point of fact we are not going to spend this on roads but we are going to spend less on roads and more on education." You are not in a position to do that.—Not so far as education is concerned.

447. You have not the responsibility?
—No.

448. Can you do so even in the things for which you have responsibility?—(MR. SIBERRY): Within the field set out at Part A on page 15, just a bit around the margin perhaps, because I think everyone would recognise that it simply is not practicable to do anything big and sweeping. It is not realistic to think of a decision on priorities being taken that we will cut housing by some really significant amount, millions a year, in order to spend that on roads. But around the margin there is a possibility of flexibility between these items.

449. You mean that you could be spending £32·4 million on roads, for example, and £41·8 million on housing?—Much the same thing can work in another way. If, after we have built up our programmes from the bottom and got to the stage of their being settled overall, it is not possible to accommodate everything we would like to do, then the Secretary of State has to decide on which one of these heads he exerts the harder pressure. The sort of question that may arise is; in order that as much as we desire may be spent on roads, do we have to tell local authorities who wish to build new county halls that we are sorry, they will have to wait?

450. The exercise is on a functional basis and not a geographical basis?—Yes, there is a functional approach within the Welsh Office's own figuring.

451. PROFESSOR REES: May I refer to page 19, paragraph 50, which says:—

"To meet these requirements, each individual Welsh Office programme is worked out in close co-operation with the appropriate Whitehall and Scottish Departments."

I wonder how this works out in practice? What sort of co-operation is there between the Welsh Office and Whitehall in order to work out new programmes?—I think this may best be answered in two distinct ways. There is the co-operation between Departments on a wide scale in the final P.E.S.C. process which Dr. Hunt has referred to. Then, in some functional fields there is continuing co-operation in the process of building up the different programmes. There is the Road Programme Committee on which the Welsh Office is represented, along with the Ministry of Transport, the Scottish Development Department, which is the Roads Department for Scotland, with the Treasury in it too, and the D.E.A. when there was a D.E.A.—I am not quite sure what the situation is now. This is an inter-departmental body examining the requirements, in Dr. Hunt's terms, in certain functional fields. So there are two different approaches to this.

452. DR. HUNT: On loan sanctions, how much power has the Welsh Office?

If a local authority wants to carry out a certain project, and wants and needs to raise a loan to finance the investment in that project, then under the law as it stands it cannot raise the loan without ministerial permission, which in England is given by the Minister of Housing and Local Government, and in Wales is given by the Secretary of State. In relation to projects of kinds for which the Secretary of State has a functional responsibility—for example, roads, or housing, or council offices, or swimming pools—the Secretary of State and his Department really have to decide whether the local authority can be allowed at that point in time to do that particular thing, but the Minister of Housing in England, I think I am right, and the Secretary of State in Wales also convey the statutory loan sanction to local authorities in respect of certain functional activities which are not under the Secretary of State's executive wing, such as education.

453. On the things that *are* under his executive wing, is there any sort of ceiling

imposed on the Secretary of State from London?—After the process of building up within divisions of the Department and the Secretary of State's own view of what it is desirable to do, and after the further process of fitting together all the departmental pieces, we end with an annual level of capital investment for each particular function—housing, or environmental services, whatever it may be. In order that the Secretary of State may play his part in carrying out the Government's general financial policy, we have to do our best to keep within that level, and that level—it may be for sewerage, which is a very expensive item in public expenditure—may not accommodate within a given year all that the various local sewerage authorities want to do.

454. This is a level which is really in a sense imposed by overall Government policy?—As for all other Government Departments. Exactly the same has to be done in the Ministry of Housing in relation to similar matters in England. I have expressed it in the terms that we have to play our part in carrying out the Government's general policies about control of the rise in the total public expenditure; and playing our part means, allowing for the sort of flexibility we were discussing earlier, keeping within the levels of expenditure which, at the end of all the preparatory processes, the Secretary of State has agreed shall be his level for those particular years. I hope I have put that fairly.

455. PROFESSOR REES: I take it that when you say,

"Information is being developed which increasingly enables the Secretary of State not only to look at his own programmes in relation to the corresponding English and Scottish programmes but also to take a view of the Welsh part of other Ministers' programmes,"

this is simply a question of a statistical through-flow internally inside the Department?—This is something that I think is mentioned for the first time in this document and is only beginning to evolve, and one cannot say much.—(MR. BRENIG JONES): This is the mechanics within other Departments and not the Welsh Office, but our information is that the other Departments will in future be trying to give more information about expenditure in Wales.

—(MR. SIBERRY): I wonder, Mr. Chairman, whether it would be useful for me to comment briefly that what comes out at the end of all these processes as illustrated by these figures on page 15, for example, represents a significantly different

pattern of expenditure in Wales from the pattern for Great Britain as a whole.

456. CHAIRMAN: That is very interesting.—This is a reflection of the assessment of Welsh requirements taken up from the bottom, including the local authorities.

457. That does not emerge.—It does not emerge from this paper.

458. Perhaps, Mr. Siberry, an addendum on those lines might be helpful.—If you would like to give me a minute, I can give you the gist of it. Mr. Jones and I have taken the first four figures in Table 2A, and expressed each one of them as a percentage of the aggregate of the four, and we have taken comparable figures for Great Britain and done the same thing, just for these four.

459. These are roads. . . .—Roads, housing, environmental services and health and welfare. We found for the year 1967/68 for example, that in Wales roads accounted for 15·9 per cent of this total of the four, whereas in Great Britain as a whole they accounted for 13·3 per cent. In Wales, housing accounted for 22·2 per cent, whereas in Great Britain it was 26·7 per cent. There is no need for me to go any further. This shows that the pattern of the assessment of requirements as between housing, roads, and all the rest does turn out to be different. One of the four in which there is no significant difference in percentage is environmental services; Wales 19·4 percent, Great Britain 19·2 per cent, almost exactly the same, but if you probe more deeply into detail you will find significant differences. You would find, for example, that in Wales, in relation both to the population and to the extent of derelict land, very much more proportionately is being spent on the clearance of derelict land than is being spent in England.

450. MR. HAYDN REES: Could one explanation be that in the past we have not had a fair share?—Is Mr. Rees asking that question specifically with relation to the clearance of derelict land?

451. No, in relation to the first two that you mentioned, roads and housing.—I have said that in Wales the proportion spent on one is higher, and the proportion spent on the other is lower, than in Great Britain as a whole.

462. There could be explanations for either going back into the past?—Like most subjects it is very complex, and at the moment I am just drawing attention to a significant difference in the pattern that emerges.

463. SIR BEN BOWEN THOMAS: In the percentages we are equal on health and welfare?—(MR. BRENIG JONES): More or less, yes; actually we are slightly higher on health and welfare. The figures are for Wales 42·4 per cent, and for Great Britain as a whole 40·8 per cent.

464. CHAIRMAN: Thank you very much Mr. Brenig Jones, for your attendance. May I say that the Commission is extremely grateful to the witnesses who have given evidence here today. I may say without fear of contradiction that, whatever be the virtues or failings of the Welsh Office, what has been said here today indicates that the Welsh Office is accessible to the people of Wales. It seems to me that there is perhaps in some quarters some degree of ignorance regarding the work of the Welsh Office, but information about its services is freely available to all the people of Wales. If the Commission does not succeed in doing anything else except making that clear, it will have succeeded in some respects at any rate.

(The witnesses withdrew.)

**IDENTIFIABLE EXPENDITURE IN WALES
BY GOVERNMENT DEPARTMENTS
AND LOCAL AUTHORITIES IN 1968/69**

*(Figures for 1967/68 were given in Table 2 on page 15 of the written evidence
of the Welsh Office)*

A. Secretary of State for Wales	£ million
Roads	36.1
Housing	40.8
Environmental Services	42.5
Health and Welfare	91.7
National Library and National Museum	0.6
Forestry	7.3
	<hr/>
	219.0
	<hr/>
 B. Other Ministers	
Education and Arts	91.5
University	17.4
Law and Order	21.3
Children's Services	9.4
Family Allowances	14.9
Social Security Benefits	160.9
Ports and Airports	1.4
Investment Grants	28.4
Promotion of Local Employment	9.7
Other Assistance to Industry	38.5
Agriculture	16.8
Research Councils	1.7
Other	20.4
	<hr/>
	432.3
TOTAL	651.3
	<hr/>

ADMINISTRATIVE CLASS COMPETITION: 1964-1968
CANDIDATES FROM WELSH SCHOOLS/UNIVERSITIES

I ADMINISTRATIVE GROUP COMPETITIONS (ENTRIES)
(ASSISTANT PRINCIPAL ETC.)

	<i>Welsh Schools and English Colleges</i>		<i>English Schools and Welsh Colleges</i>		<i>Welsh Schools and Colleges</i>		<i>Total</i>	
	M	F	M	F	M	F	M	F
	1964	9	4	7	1	3	1	21
1965	10	1	11	6	4	1	25	8
1966	18	4	19	4	6	2	43	10
1967	16	7	22	8	4	2	42	17
1968	19	14	25	11	8	4	52	29
	72	30	84	30	27	10	183	70

II SUCCESSES IN ADMINISTRATIVE GROUP COMPETITIONS
(ASSISTANT PRINCIPAL ETC.)

1965	1	-	-	-	-	-	1	-
1966	-	-	1	-	-	-	1	-
1967	1	-	1	-	-	-	2	-
1968	1	1	-	1	1	-	2	2
	3	1	2	1	1	-	6	2

III PRINCIPAL COMPETITIONS (ENTRIES)

1964	15	-	2	-	7	1	24	1
1965	28	1	6	-	16	1	50	2
1966	42	3	2	-	18	-	62	3
1967	45	1	8	-	23	-	76	1
1968	38	3	5	1	21	1	64	5
	168	8	23	1	85	3	276	12

IV SUCCESSES IN PRINCIPAL COMPETITIONS

1965	1	-	-	-	3	-	4	-
1968	-	-	1	-	3	-	4	-
	1	-	1	-	6	-	8	-

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